

The NATIONAL UNDERWRITER

Life Insurance Edition

Insurance Library

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THE UNION CENTRAL LIFE INSURANCE COMPANY

CINCINNATI

OFFICE OF PRESIDENT

To N.A.L.U. Convention Delegates:

Never before, in the many years our organization has gathered together in annual convention, have we met at a time which presented a greater challenge, greater opportunities, than in this year of 1941.

Today we face a huge new market ... thousands and thousands of newly affluent people ... men and women with defense dollars mounting in their paychecks week by week.

All these surplus funds, if wasted or wrongly used, could bring about a buying hysteria which would impair our defense effort -- or, if not that, might be dribbled away for useless purposes. I consider it our patriotic duty to help the country keep its head, and put its extra dollars into productive ends ... insurance policies and annuities that will build something permanent for their owners, and which will funnel purchasing power, through our investment channels, back into basic, necessary uses.

The institution of life insurance is the best example I know of democracy in action. Through it every man can, according to his means, assure his own financial security and that of his family ... can do it standing on his own feet, without tipping his hat to anyone, without asking favors. To the universal cry for security, life insurance offers a solution which is economically sounder than that which the dictators impose ... a solution which is ruggedly democratic and not only preserves, but increases the self respect of every man who employs it. By furthering this institution of life insurance -- by doing our own jobs well -- we also can serve our country. We can show America, and the whole frightened world, that our kind of democracy is a vigorous, workable, going concern.

I hope these thoughts find echo in the mind of every one of you. And that this convention will be the most productive, the most inspired we have ever held.

May I, on behalf of my associates here in Cincinnati, greet you, and welcome you to the city. And we hope, while you're here, you will visit us personally.

Yours sincerely,

W. Howard Cox
President

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3rd CONVENTION DAILY

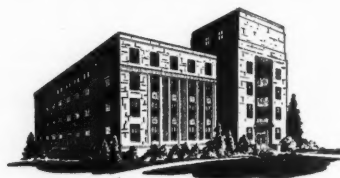
FRIDAY, SEPTEMBER 19, 1941

Welcome

**NATIONAL ASSOCIATION OF
LIFE UNDERWRITERS**

52nd Annual Convention

CINCINNATI, OHIO



**The OHIO NATIONAL LIFE
INSURANCE COMPANY**

CINCINNATI, OHIO

T. W. APPLEBY, President



Not all Protection Wardens wear tin hats!

Green-grocers and bookkeepers by day . . . helmeted heroes at night . . . the men of Britain's Air Raid Precaution Service have made a magnificent contribution to their country's defense.



HERE in America, busy men with plain felt hats in place of tin ones provide protection day and night for countless homes. They're not digging wounded children out of debris — but they are sending thousands of healthy children through school and college.

They're not snuffing out incendiaries on neighboring roofs — but they are helping the families under those roofs to carry on, after death has struck without a warning siren.

Who are *they*? They are the trained and experienced life insurance men and women of America, who are helping families to set up defenses that are certain in uncertain times.

From coast to coast, New England Mutual's group of Career Underwriters is eminently qualified to render intelligent

counsel on personal insurance problems.

Representing the first mutual life insurance company chartered in this country, they are equipped with a variety of unusually liberal contracts that may be written to suit your particular needs. A friendly consultation may be had without obligation on your part.

New England Mutual
Life Insurance Company  of Boston

George Willard Smith, President

Agencies in Principal Cities Coast to Coast

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA — 1835

This advertisement appears in *THE SATURDAY EVENING POST* of September 13th, *TIME* of September 29th, *NEWS WEEK* of October 6th



90th Anniversary Year

1851 ★ 1941

Massachusetts Mutual
LIFE INSURANCE COMPANY

Springfield, Massachusetts

Bertrand J. Perry, *President*

Welcome

N * A * L * U

to CINCINNATI...

ASSOCIATED LIFE GENERAL AGENTS AND MANAGERS OF CINCINNATI

MAX ABRAMS, Manager Occidental Life Insurance Co. of Cal.	RAY HODGES, Manager The Ohio National Life Insurance Company
JOSEPH W. AUSTIN, General Agent National Life Insurance Co. of Vermont	IRL B. JACKSON, General Agent Massachusetts Mutual Life Insurance Company
PHILIP C. BAKE, Manager Phoenix Mutual Life Insurance Co.	PAUL W. KISTLER, General Agent American United Life Insurance Company
JUDD C. BENSON, General Manager The Union Central Life Insurance Co.	W. E. LORD COMPANY, General Agents Continental Assurance Company
W. A. R. BRUEHL & SONS, General Agents Home Life Insurance Company of New York	WILLIAM J. MACK, General Agent Northwestern Mutual Life Insurance Co.
PAUL H. BURKMAN, Manager Bankers Life Company of Iowa	CHARLES J. McCOY, Manager The Mutual Life Insurance Co. of New York
W. THOMAS CRAIG, General Agent Aetna Life Insurance Company	ROGER Q. MILSTEAD, Manager The Prudential Insurance Company of America
L. B. DIERKES, Agency Director New York Life Insurance Company	J. B. MOORMAN, General Agent Equitable Life Insurance Company of Iowa
WALTER C. DOLL, General Agent Berkshire Life Insurance Company	R. C. O'CONNOR, Manager Reliance Life Insurance Company of Pittsburgh
J. S. DREWRY & CO., General Agents The Mutual Benefit Life Insurance Company	L. B. PERIN, Manager The Fidelity Mutual Life Insurance Company
WILLIAM T. EARLS, General Agent Connecticut Mutual Life Insurance Co.	GUY D. RANDOLPH, General Agent New England Mutual Life Insurance Co.
THE ELLIS & BLOHM AGENCY, General Agents Provident Mutual Life Insurance Company	LEE B. SCHEUER, General Agent State Mutual Life Assurance Company
MILTON M. GATCH, Branch Manager Sun Life Assurance Company of Canada	W. R. SMITH, Manager Acacia Mutual Life Insurance Company
JOSEPH M. GANTZ, General Agent The Pacific Mutual Life Insurance Company	BENJAMIN STONER, Manager Connecticut General Life Insurance Company
J. D. GRANNIS, JR., General Agent Penn Mutual Life Insurance Company	GEORGE VINSONHALER, General Agent John Hancock Mutual Life Insurance Company
GEORGE R. HAMMERLEIN, General Agent The Minnesota Mutual Life Insurance Company	CHARLES H. WIBLE, Manager Union Mutual Life Insurance Company
BENJAMIN F. HEALD, General Agent The Lincoln National Life Insurance Company	FRANK WIGLESWORTH, Manager The Travelers Insurance Company
THOMAS M. HERMAN, General Agent Northwestern National Life Insurance Co.	GEORGE J. WOODWARD, Manager The Equitable Life Assurance Society of the U. S. A.

Cincinnati
The Queen City

It is with a great deal of pleasure and pride that the Associated Life General Agents and Managers of Cincinnati welcome you for the 1941 Convention of the National Association of Life Underwriters. While here we cordially invite you to avail yourselves of all our facilities to help make your visit a more pleasant one.



"...there's a Star in the West"

Witherspoon New Chief; Hedges Wins

Curtain Falls After Brilliant Final Session

N. A. L. U. Audience Hears
Parkinson, Kollenberg,
Hu Shih

The curtain fell Friday noon on the Cincinnati convention of the National Association of Life Underwriters. The final session that morning was a stirring finale, with three speakers of radically diverse type being featured. T. M. Riehle, Equitable Society, New York, chairman of the program committee, was the presiding officer and he performed in commanding fashion.

There was President Thomas I. Parkinson of Equitable Society, never more fervent than on this occasion. He rose to some mighty periods in the course of his address and he was treated to a thunderous ovation.

Much ground was covered by A. H. Kollenberg, Mutual Benefit Life, Grand Rapids, Mich., in his talk on business insurance. In addition to his main subject, he developed many strong points in favor of always considering life insurance in light of its prime function—replacement of earning power. Such questions as inflation hold little fear for life agents when viewed in this regard, he pointed out.

Mr. Kollenberg is an appealing speaker. He talks with the touch of an accent which seems to enhance the interest in his message.

Dr. Hu Shih, Chinese ambassador to the United States, a man profoundly cultivated, was the final speaker. This oriental flavor to the program was appreciated by the audience.

Collins, Brooks Luncheon Speakers

A large portion of the conventioners are expected to remain in Cincinnati for the fellowship luncheon, at which the speakers will be Tom Collins, Kansas City columnist and professional speaker, and United States Senator C. Wayland Brooks of Illinois. The presiding officer will be C. Vivian Anderson of Cincinnati, past N. A. L. U. president.

The visitors are all singing the praises of the Cincinnati hosts for the entertainment that was provided Thursday afternoon and evening. The morning session ran until 1 p. m. and almost immediately the buses were loaded to take those that chose the baseball game, to the ball park for the double header. The weather became much more pleasant and it was an enjoyable afternoon in the open.

Thursday night was a great night for fellowship. The donkey basketball games provided the thrills that were promised and the crowd had an unusually good opportunity to fraternize. The elections were over and the tension that had existed up to that time was relieved.

Registration Exceeds 2,200

Registration passed the 2,200 mark late Thursday afternoon. That is thoroughly satisfactory.

New President of National Association



JOHN A. WITHERSPOON

John A. Witherspoon, newly elected president of the National Association of Life Underwriters, was born May 31, 1900. He attended the University of the South at Sewanee, Tenn., and entered life insurance in 1922 with Prudential. Later he attended the Rockwell school of life insurance at the University of Pittsburgh, graduating in 1924. While a personal producer, Mr. Witherspoon was a million dollar producer for several years, being the leading agent in Tennessee for that period.

In 1931 he became general agent of Pacific Mutual Life for middle and east Tennessee, with headquarters in Nashville, and in October, 1936, he became general agent of John Hancock Mutual Life in Nashville.

He has been active in association work for 12 years. He is a past president of the Nashville Association of Life Underwriters and during his term of office more than doubled the membership of the local association. He was elected a trustee of the National association in 1934 and continued in that office until his election as vice-president in 1940.

At various times he has served the National association as chairman of such important committees as membership, general agents and managers and business standards.

Testimonial in Nashville Sept. 29

John A. Witherspoon on Sept. 29 will hear what the insurance and other citizens of his home town think of him and his elevation to the position of supreme eminence in the field of life insurance selling. That evening at the Hermitage Hotel in Nashville will be held a Witherspoon testimonial dinner under the aus-

pices jointly of the Nashville Chamber of Commerce and Nashville Association of Life Underwriters. A large number of N. A. L. U. leaders from throughout the country will undoubtedly make the trip to Nashville for the occasion.

Presiding honors at the dinner will be shared by T. Graham Hall, president of the Chamber of Commerce, and Sam McGaw, Connecticut Mutual, president Nashville Life Underwriters Association. E. T. Proctor, Northwestern Mutual, is chairman of the committee on arrangements.

Secretary Race to Missourian 164 to 149

Trustees: Connell, Furey,
Hartshorn, Hobbs, Hoyer,
Rogers, Reed

NEW OFFICERS ELECTED

President—John A. Witherspoon, John Hancock Mutual, Nashville.

Vice-president—Grant Taggart, California-Western States Life, Cowley, Wyo.

Secretary—Herbert A. Hedges, Equitable Life of Iowa, Kansas City.

Treasurer—W. E. Barton, Union Central, New York.

New trustees—Two year term: W. Rankin Furey, Berkshire Life, Pittsburgh; W. W. Hartshorn, Metropolitan Life, Hartford; Ralph W. Hoyer, John Hancock Mutual, Columbus, O.; Clancy D. Connell, Provident Mutual, New York; Phillip B. Hobbs, Equitable Society, Chicago; Homer L. Rogers, Equitable Society, Indianapolis. One year term: Tom B. Reed, Great Southern Life, Oklahoma City.

By the extremely close margin of 164 to 149 Herbert A. Hedges, general agent of Equitable Life of Iowa at Kansas City, was elected secretary of the National Association of Life Underwriters over W. H. Andrews, Jr., general agent of Jefferson Standard Life at Greensboro, N. C. In this choice the council went counter to the nominating committee, which recommended election of Mr. Andrews.

The election took place at the national council meeting Thursday afternoon. The contest for secretary provided the most intense interest, but there was also close attention to the contests for trustee position.

The invitation of Minneapolis as the 1942 convention city was accepted. There was no competition. It has been recommended that the 1942 convention be held the week of Aug. 23 and the trustees will probably adopt that suggestion. The idea of holding a summer convention was advanced by some leaders who feel that after labor day agents desire to get into high production gear and the N. A. L. U. convention is distracting. Also there is a desire not to conflict with the American Legion convention.

There were six two year terms and one one year term on the board of trustees to be filled. The nominating committee brought in the names of each of the nine candidates for whom there have been campaigns. These names were placed on the blackboard and checks were placed before the names of six, who had been unanimously endorsed by the committee, they being Connell, Furey, Hartshorn, Hobbs, Hoyer, and Rogers. Those who did not get this special designation were E. L. Allison, broker, Tulsa; H. C. Lawrence, Lincoln National, Newark, and Tom B. Reed. This is the first time the nominat-

(CONTINUED ON PAGE 8)

Western and Southern Has Attractive Display



Much praise was heard of the magnificent display that was set up on the mezzanine floor of the Gibson by Western & Southern Life, one of the host

companies. This was of world fair quality. It was unfortunate that the display floor was in something of a blind alley that was not a natural space for

congregating. Western & Southern has been urged to make the display available on other occasions. It has a great institutional value.

National Life of Vermont Family Attends Dinner

Joseph W. Austin, Cincinnati general agent, and Mrs. Austin were hosts to visiting members of National Life of Vermont family at a dinner in the Ohio Room of the Hotel Sinton. The toastmaster was Harry W. Hutchins, associate general agent in Cincinnati, who has been with National Life over 40 years.

The welcome by Mr. Austin included a brief but interesting history of Cincinnati. However, some points were questioned, such as the solicitation of Daniel Boone by Harry Hutchins. Among the guests of honor were Fred S. Brynn and Karl Gumm from the home office.

Mr. Gumm called attention to the unusual number of prominent N. A. L. U. members present in the group. They were: R. Maxwell Stevenson, president of the Pittsburgh association and campaign manager for W. R. Furey; R. P. Burroughs, chairman of the Million Dollar Round Table and well-known figure in life insurance; Ellen Putnam, past president of the Rochester association and program chairman for the women's quarter-million round table; Helen Rockwell, who spoke so ably at the quarter-million gathering this year, and Mr. Austin, secretary of the Cincinnati association.

Other past presidents were Charles Kuttler, Davenport; Leonard McKinnon, Flint, and Clifford H. Orr, Philadelphia. Mr. Orr is the author of the John Q. Agent plays which were so well received last year and this. Among his many present activities are national committee-man, chairman of awards committee of general agents and managers section, vice-president of the Pennsylvania association, and chairman of the general agents and managers association of Philadelphia.

N. E. Glassbrook in Hospital

N. E. Glassbrook of Lansing, Mich., Illinois and Michigan division manager for Ohio National Life, was taken ill soon after arriving in Cincinnati and entered Christ Hospital. It was found that he has an infection and must be hospitalized for at least another week.

Resolutions Pledge Defense Support, Urge Reduction in Non-Defense Spending

A resolution pledging support to the government's defense efforts and the campaign for the sale of defense savings bonds, and urging curtailment of all unnecessary non-defense spending was adopted at the closing session.

"We again call to the attention of the life insurance agents of America their duty to cooperate with the already established local and state underwriters defense committees and with the Treasury Department of the government in furthering the sale of defense stamps and bonds," the resolution says.

"We recognize the need for national unity in the present world crisis and of hearty support of our government in its efforts to keep war from our shores by aid to those people who are fighting the battle of democracy against aggressors who seek to destroy freedom and enslave free people both at home and abroad.

Would Hold Down Tax Burden

"As it is the patriotic duty of everyone to save and invest for our national defense, it becomes necessary also for the federal government to curtail to the limit all unnecessary non-defense spending so that the burden of taxation may not be unduly increased and that investments in national defense bonds may be encouraged. We endorse the recommendations made by the Secretary of the Treasury to this effect.

Urge Defense Bond Aid

"We call upon our more than 33,000 members not only to purchase defense stamps and savings bonds, but also to urge their purchase by all citizens of the United States. Such action upon our part, both by work and by deed, will help to promote greater national unity and more effective national defense."

Memorial resolutions also were adopted for two former presidents of the National association, John L. Shuff, Union Central, Cincinnati, who served in 1921-22, and for John Newton Russell, Pacific Mutual, Los Angeles, 1916-17, and for Jerome Clark, vice-president Union Central Life. All had died since the last meeting.

Douglas Gets Big Ovation at Thursday's Session

President Lewis W. Douglas of Mutual Life made a tremendous hit with his address at the Thursday session. He was cheered frequently during his talk and at its conclusion the crowd stood and roared its approval. He departed frequently from his prepared manuscript and his "ad libbing" added to the effectiveness of his talk.

The Million Dollar Round Table Hour also was especially well received, as the conventioners always are eager to see the "big shots" of the business and hear how they do it.

The presentation of the scholarly address by President A. J. McAndless of Lincoln National Life was handicapped materially by the difficulties experienced in projecting on the screen the charts he had prepared to illustrate his talk.

A special setting was provided for the American College hour, with the trustees lined up behind what looked like a glorified version of the supreme court bench. The speakers and officers of the college were at another table below and in front of them.

The president's ball Wednesday night had a detrimental effect on the early attendance Thursday. Vice-president John A. Witherspoon did not open the session until 9:35 and even then the main floor of the auditorium was not more than half filled. However, by the time the main speakers were reached, the lower floor was jammed and there were very few vacant seats in the balcony.

In spite of the fact that the session offered rather heavy fare and ran well beyond the scheduled time, interest was well maintained and the attendants stuck it out after they did arrive.

Sanders Addresses B. M. A.

About 65 attended a Business Men's Assurance luncheon, at which Robert Sanders, B. M. A. district manager, San Diego, Cal., and member of the Million Dollar Round Table, gave the main address. From the home office came J. C. Higdon, vice-president; John Saylor, assistant vice-president; G. J. Tritch, field supervisor.

400 at Union Central Dinner

That more than 33,000 votes from policyholders of Union Central in the mutualization program have been received and that the votes are overwhelmingly in favor of the plan was announced by President W. Howard Cox at the company's get together, with some 400 on hand Wednesday evening prior to the President's ball.

In making the announcement Mr. Cox read a telegram just received from Insurance Superintendent Lloyd of Ohio under whose jurisdiction the mutualization program is being carried out. Mr. Cox closed his short, inspiring talk by mentioning a number of amusing letters received from policyholders who did not come even close to understanding what mutualization means. The president introduced Wendell Hanselmann, who then gave the first talk that he has made to a large Union Central gathering since being placed in complete charge of the agency department.

Mr. Hanselmann spoke of his life insurance philosophy, stressing that growth is the essence of health, that the field organization is a company's life blood and that life insurance itself is the best bulwark for a man during the difficult years that lie ahead. Because the only real barrier to life insurance is real lack of money and because more people are now making more money than ever before, Mr. Hanselmann predicted a greater market for life insurance to the good salesman than ever before in history.

Three Cities Want 1942 Mid-Year Gathering

Although no bids were presented officially for the 1942 mid-year meeting, three cities desire to be hosts at that time and intend to submit invitations at the mid-winter meeting of the trustees in December. The cities are Memphis, Hartford, and Palm Beach, Fla. Due to the fact that Nashville is honored by having John Witherspoon in the presidential seat, the Tennesseans are all supporting the Memphis invitation.

Hull Is Making Gains

Roger B. Hull, managing director of the N. A. L. U., expects to leave the hospital today, it was announced to the convention.

Moves Ahead



GRANT TAGGART, Cowley, Wyo.
California-Western States Life
Vice-president

Two Threats Seen to Security of Life Insurance

Menace of Inflation, Change in Way of Life, Reviewed by Dr. James

Financial security, the great goal of the American people, which life insurance is helping them to attain, is menaced by both the present inflationary trend and the threat of a change in the structure of society, and life men must resist both those trends to maintain that security, Dr. F. Cyril James, principal and vice-chancellor of McGill University, said in his talk on "The Price of Security" at the joint dinner meeting of the American College of Life Underwriters and American Society of C. L. U. Thursday night.

"If you accept the full responsibility of your profession, and strive in full reality to attain for your clients the security that they desire," he said, "you must recognize that the validity of every insurance policy you sell is predicated upon unwritten assumptions regarding both the value of money and the structure of society. You are called upon to study these matters; to be aware of every tendency that threatens to destroy the security you sell; to be courageous and persistent in your efforts to maintain throughout the United States the validity of these underlying assumptions."

Inflation Is Real Threat

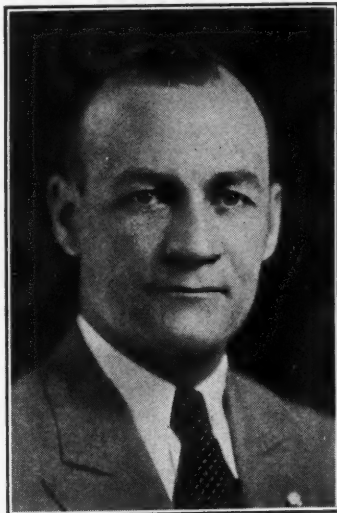
Referring to the recent statement of the Secretary of the Treasury that the United States stands in danger of inflation more serious than anything which it has experienced for many generations, Dr. James declared that "these were not words of unreasoning panic."

"If the real value of life insurance contracts is to be preserved," he said, "immediate steps must be taken to prevent further inflation."

"The banking acts of 1933 and 1935 have coordinated the financial machinery of the country in effective fashion and provided an admirable opportunity for what is nowadays called 'monetary management.'"

"But 'monetary management,' in present circumstances, is only a pleasanter name for credit restriction," he said. "If such management is to be regarded as the sole bulwark against inflation, the monetary authorities must take such restrictive measures as will tighten the money market, prevent further expansion of bank deposits and make it harder

Named Secretary Agent's Job Is to Sell Ideas, Kollenberg Emphasizes



HERBERT A. HEDGES, Kansas City
Equitable Life of Iowa

for all concerned to borrow the money that they think they need. Some such measures have already been applied to the field of consumer financing, but they would need to be applied with equal rigor to every branch of industry and trade if the United States is to rely upon monetary management as its defense against inflation. Need I point out that such measures are highly unpopular? The government itself might well find that monetary contraction at the present moment imperiled the whole defense program.

Must Develop Public Opinion

"It is impossible for the monetary authorities to adopt unpleasant measures, even if those measures are highly beneficial in the long run, unless they are supported by a strong body of intelligent public opinion. You, as chartered life underwriters, must play your part in developing such a body of public opinion. You have the strongest of all reasons for doing so because your own profession, and the welfare of all your clients, is ultimately dependent upon the stability of the dollar."

"Either the spending power of the average individual must be sharply reduced by taxation, or else such reduction must be achieved by the voluntary purchase of defense bonds (and other governmental securities) by all members of the community."

Skill in Detecting Problem Essential in Business Cover Sale

Not only must an agent have a thorough knowledge of the contracts he is selling and be familiar with the various forms of enterprises so as to sell business insurance but he must develop a skill in discovering just what the need or problem is that must be solved, A. H. Kollenberg, Mutual Benefit Life, Grand Rapids, Mich., declared at the final session. He stressed the importance of an agent being able to render a complete service and to talk to men about their business and the problems which will confront survivors under corporation, partnership and sole proprietorship set-ups.

In elaborating on this, Mr. Kollenberg said:

Accounting Knowledge Desirable

The salesman should be able to interpret a financial statement. A little knowledge of accounting will be a great help. If the statement reveals that the firm is heavily in debt, the appeal will be different than if they show a healthy bank balance. Again, the appeal will be different if the stock is closely held, than if it is widely distributed. If the firm is heavily in debt, the appeal is to protect the creditors rather than the stockholders. A man in debt doesn't own his own property. He has charge of it. His creditors own it. And when it comes to a show-down, they hunger for the coin of the realm, and to raise it the debtor might have to pay a stiff premium. Creditors are not paid with merchandise, machinery or equipment. They want cash!

Questions About Assets

The composition of the firm's assets will influence the appeal. Are the assets durable or perishable, liquid or frozen? Is there a wide or narrow market? Is the turnover fast or slow? These factors will determine what shrinkage will be suffered at forced liquidation. Assets do not hang together of their own accord. They require a guiding personality to hold them together to meet and to checkmate the disintegrating forces. In studying the financial statement, note the liabilities. This will tell you who owns the business. It is one of the few things a man may leave with reasonable assurance they will not shrink. So, with diminishing assets and relatively increasing liabilities, what chance has a man's business of surviving him?

The salesman should have a speaking acquaintance with modern taxation. He need not be an expert, but he should have

(CONTINUED ON PAGE 17)

Stress on Replacement of Income Factor Is All Important

The imperative need for agents to sell ideas which to be effective must be implemented with life insurance was stressed by A. H. Kollenberg, Mutual Benefit Life, Grand Rapids, Mich., as part of his thought provoking talk on business insurance. Regardless of all other factors, life insurance's true function is replacement of earning power and if that dominant thought is kept paramount, all other problems and objections become secondary.

In analyzing the agent's job he said:

We sell insurance for inheritance taxes, for stock liquidation, to retire a deceased partner's interest, for payment of the mortgage on a home, for education of children, for family support, for old age retirement, etc., etc., and the one element common to all of these various uses of life insurance is replacement of earning power, the loss of which is caused by the bread winner's dying too soon or living too long. This is the prime, supreme and paramount function of life insurance.

Doesn't Argue on Investments

My prospect tells me that he can make more money by selecting his own investments than he can by letting the insurance company do it for him. I do not dispute him. He may be right. The function of an insurance company is not to compete with other forms of investments; its function is to replace earning power. If there is an investment element, that is incidental. Life insurance would never have come into being and would certainly not have reached its present magnificent proportions if the investment feature was the main purpose of its creation and existence. And if my prospect confesses to greater earning power, he admits the need for more insurance to replace that earning power. And if it costs him \$100 a month to support his family, it used to take \$20,000 capital at 6 percent to replace that income. Today it takes \$40,000 capital since interest rates are 3 percent.

Not to Guarantee Stability

My prospect tells me this isn't the time to buy insurance for the reason that he is giving me dear dollars, and he or his family will probably receive cheap dollars. I do not dispute him. He may be right. The function of life insurance is not to guarantee the stability of the dollar. Its function is to replace earning power. If my prospect possesses the power to foresee the trend of commodity prices for the future he is in an excellent position today

(CONTINUED ON PAGE 34)



E. F. Colburn, Connecticut Mutual, Rochester, N. Y., retiring trustee; J. H. Jamison, manager field training division Northwestern Mutual; H. G. Wischmeyer, Cleveland gen-

eral agent John Hancock Mutual; Phil Orchard, Northwestern National, Sioux City, past president Iowa state association; Alan Kennedy, Northwestern National home office.

Witherspoon Is New Chief

(CONTINUED FROM PAGE 5)

ing committee has ever made such a distinction in its list. The six who were unanimously endorsed by the committee came out ahead in the balloting and they all got two year terms. Seventh was Mr. Reed, who thus will complete the one year term on the board of Herbert Hedges.

There was no contest for president, vice-president or treasurer.

Gallery Not Full

The space provided for voting delegates was completely filled, but there were only a few in the gallery behind the barriers. Most of those who did not have a vote had gone to the ball game or to the golf links.

President H. T. Wright introduced the committee on elections, headed by E. L. Reilly, Penn Mutual, New York. Earl Colborn, Connecticut Mutual, Rochester, N. Y., national trustee, served as parliamentarian in the absence of Roger B. Hull. Wilfrid E. Jones of the headquarters staff was also seated on the platform.

When Lee Wandling, Equitable Society, Wichita, was called forward to report as chairman of the nominating committee, the atmosphere was tense.

The nomination and election of John Witherspoon for president took place speedily, amid cheers. Likewise Grant Taggart was elected with enthusiastic dispatch.

Secretary Announcement

Then a hush fell as Mr. Wandling announced the decision on secretary. Mr. Wandling announced W. H. Andrews, Jr., was the choice of the committee, but that the committee requested that H. A. Hedges be nominated from the floor.

Judd C. Benson, Union Central, Cincinnati, promptly put Mr. Hedges into nomination. Seconding speeches were made by Lester Becker, Lincoln National, president of the St. Louis Life Underwriters Association, who said Missouri ardently desires to be represented by a national officer; and by E. T. Proctor, Northwestern Mutual, Nashville, who said he hopes at some future time to cast a ballot for Mr. Andrews, but that he feels this is Mr. Hedges' year. "Let's give the old war horse a hand now," he urged.

Edmunds and Haley Speak

D. D. Edmunds, Equitable Society, Winston-Salem, N. C., spoke in behalf of Mr. Andrews. A. T. Haley, Massachusetts Mutual, Greensboro, also spoke for Mr. Andrews. He asked the nominating committee to reveal how many official endorsements each candidate received, but Mr. Colborn ruled that the committee is not obliged to justify its decisions and that the information desired need not be disclosed. Mr. Haley read a telegram endorsing Mr. Andrews from O. Sam Cummings, Kansas City Life, Dallas, past N. A. L. U. president.



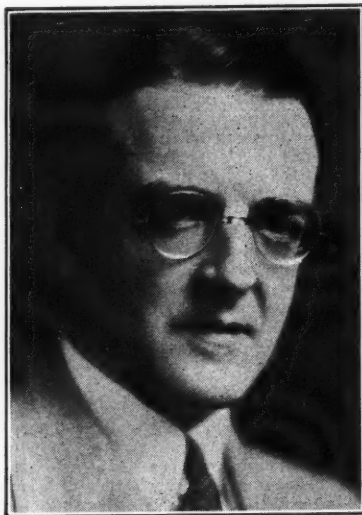
Tom B. Reed

Everyone at last expressed satisfaction and the voting went forward on the prepared ballots.

While the ballots for secretary were being counted W. E. Barton, Union Central, New York, was reelected treasurer in a moment.

Mr. Colborn made a ruling in connection with the balloting for trustee. Regardless of how many candidates are in the nominating committee's slate, each council member was to vote for six, even though there were seven positions to be filled.

Osborne Bethea, Penn Mutual, New York, gave a resume of the career of the six whom the committee unanimously favored for election as trustees. He also followed with a resume of the work of the other three on the list that did not



PHIL B. HOBBS

have the committee's unanimous endorsement.

Julian Myrick, Mutual Life, New York, moved a vote of thanks to the nominating committee for its conscientious work.

No Floor Nominations

There were no floor nominations for trustee.

Mr. Reilly took the microphone to announce the vote on secretary.

Mr. Andrews went to the platform to offer congratulations and best wishes to Mr. Hedges. That made a big hit



Ralph W. Hoyer



Homer L. Rogers

with the crowd. A. T. Haley made the motion to have the election made unanimous.

While the trustee ballots were being counted, the meeting was opened to invitations for the convention city after 1942. R. U. Darby, Massachusetts Mutual, entered Baltimore's bid for 1943. There have been three national presidents from Baltimore, one of them E. J. Clark, John Hancock, being present at Cincinnati. But Baltimore has had no convention since 1903. He offered sea food dinners, trips on the Chesapeake and to Annapolis.

Charles Cleeton, Occidental Life, president of the Los Angeles Life Underwriters Association, spoke ecstatically of his city in entering its invitation for 1943.

J. L. Lee, Phoenix Mutual, president Detroit association, gave the invitation for his city for 1944.

The new officers were called to the platform. John Witherspoon expressed his gratitude.

W. Wright Scott, Lincoln National, then extended the invitation of Minneapolis for 1942. He suggested that the convention be held the week of Aug. 23. Ralph Trubey, Guardian Life, Fargo, N. D., moved that the invitation be accepted and this was done amid applause.



in the OLD KENTUCKY HOME



MY OLD KENTUCKY HOME
BARDSTOWN, KY.

Truly, the sun of prosperity shines bright in Kentucky Home Mutual! An aggressive sales organization equipped with "up-to-the-minute" prospecting and sales plans backed by active home office cooperation continues to bring an ever increasing volume of business to the Company. Result—a gain of sixteen percent in business in force last year!

This co-ordinated teamwork between the home office and its Field Staff has increased the average amount of new paid-for business per Representative to an all time high!! Liberal agency contracts coupled with streamlined sales and prospecting plans have increased the average earnings of Kentucky Home Mutualmen over thirty percent during the past six months!

The Company's Agency Expansion Program continues to bring many new and well-qualified underwriters to the Field Staff. Agency openings are available for qualified salesmen. Write us today, stating fully your experience and past record of production.

Kentucky Home Mutual
Life Insurance Company
LOUISVILLE ~ ~ ~ ~ KENTUCKY

ELLSWORTH REGENSTEIN, President



An LNL field man after investigating the sales possibilities of the One Year Term Addition Option of the new Lincoln National Life complete participating line.

**THE
LINCOLN NATIONAL
LIFE INSURANCE
COMPANY**

FORT WAYNE, INDIANA

GEARED TO HELP ITS FIELD MEN



Agency Morale Most Important Factor, Zimmerman Stresses

Warns Managers That Rank-and-File's Attitude Differs from Theirs

In stressing the importance of agency morale in his keynote talk before the managers' section, Charles J. Zimmerman, Chicago general agent Connecticut Mutual Life, pointed to the recent surveys made by "Life" on army morale and the Research Bureau on agents' morale in which the heads of the organizations reported high morale while the rank and file reacted negatively. With these results in mind, Mr. Zimmerman warned the managers to keep an open mind in considering the following premises which he developed:

1. Morale is the most important factor in organization work.

It is universally admitted that the armies of France collapsed before the onslaught of the Nazis because of the low morale of the French soldiers and the poor leadership of the French officers.

U. S. army and navy officers consider questions on the basis of what effect a certain proposal will have on the morale of the armed forces. Recently there has been appointed to head the division of morale of the U. S. army a civilian who has had long experience in personnel work and morale building.

Lack "All-Out" Incentive

Ask a football coach why senior teams are seldom outstanding and he will tell you that they are lacking in the "all-out incentive to win" which is another way of stating that their morale is below par.

Studies conducted by the Sales Research Bureau in an effort to determine what made superior agencies superior and what made mediocre agencies mediocre resulted in finding only one accurate measuring device. Every superior agency enjoyed high morale. Every mediocre agency lacked high morale. There were other strong and weak points in these agencies but none of these could be used as a measuring device except that of agency morale.

Do you accept the premise that morale is the most important factor in agency management?

2. Morale does not just happen. It is developed.

No one here would deny that whereas the morale of our army may at this time be much lower than we would like to see it, that such morale can be brought to a high pitch within a short period of time under proper conditions of leadership.

Leadership Changes Attitude

It has been stated repeatedly that the morale of the English people, which admittedly was low at the start of the war, has through proper leadership been developed to the highest point of any nation actively engaged in the war.

There are innumerable examples of agencies where a change of management has brought about a tremendous improvement in morale of the old organization of those agencies. There are fewer examples, but nevertheless some, where a change in the manager's attitude toward his men brought about a drastic improvement in the morale of his men.

3. The development of morale is your responsibility as general agent.

In the case of the sample division studied by "Life," despite the low morale generally found, one company enjoyed the very highest morale. As we shall see later this is due to excellent leadership by the company's captain.

As a general agent you must accept this premise and this responsibility. If you do not, then certainly you are not an agency leader in fact and you have no right to be an agency leader in title.

On the assumption that you have accepted these three premises our next step is to find out what agency morale is,



Several Cincinnatians who took important part in arrangements—B. H. Wulfoetter, Massachusetts Mutual; George Vinsonbale, general agent John Hancock Mutual; Edward F. Pierle, Provident Mutual; M. J. Hamilton, Mutual Benefit; Ray Hodges, Ohio National, national trustee, and J. C. Sebastian, Union Central.

what it is based upon and how it can be developed.

What is agency morale? It is spirit,

courage, fight, loyalty, faith, ambition, pride, and love of the business. It is mental.

Specifically it is a man's mental attitude toward his job and even more important

(CONTINUED ON PAGE 30)

RISING STEADILY

A steady and continued program of expansion which is continually taking the Company into new territories has been closely followed by notable increases in business. Today, total Business in Force is in excess of \$640,000,000.

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE ... WINNIPEG



* We
Extend Greetings
to Members
of the N. A. L. U.
Assembled in
Convention
in Cincinnati

HOME DEFENSE GUARD

"Great emergencies call for great efforts."

Our forefathers exemplified the truth of this adage in their struggle to win their freedom from the tyranny of the past. Our political leaders today are calling for an "all out" effort to protect these liberties so hardly won. The response is enlisting the efforts of the flower of the Nation.

This is our way. What we cherish we will protect at all costs.

Our Homes are our dearest possessions, and Life Insurance is the essential protector of the Home, as proved by the 64,000,000 American policyholders. That is why such a stalwart force of Life Insurance representatives have enlisted themselves in this Home Protecting Service.

Today our Life Insurance Agent is:

EDUCATED in the handling of the tools of his profession.

SYMPATHETIC in his understanding of the problems of his client, and

PROFESSIONAL in his application of insurance to actual risks.

This great body of men are doing a grand job of protecting and thus promoting the American Home.

Kansas City
LIFE
INSURANCE COMPANY
KANSAS CITY
MISSOURI

Proper Care of Clientele Is Agent's Prime Sales Duty

The agent's responsibility to his clientele, the priceless ingredient of every sale, was stressed by Paul Dobson, Northwestern National Life, Minneapolis, before the Million Dollar Round Table.

An agent's clientele is his greatest asset; and if he wishes to continue to succeed, he had better nurse along those assets, help keep their affairs in up-to-date order, and protect them against any inroads which time, taxes, or changing economic conditions may bring, Mr. Dobson declared.

"I know of no agent who works as hard for a meagre return as the agent who neglects the client he has already sold. He has an everlasting cold prospecting job which is so costly in time, energy, and in morale that few men who work on that basis ever reach great success in life insurance selling.

Buy from Several Agents

"Certainly the great majority of men with substantial insurance estates have built those estates not with the help of one agent or two agents but with the piecemeal and occasional help of many agents. The figures put out by the Sales Research Bureau, which investigated 20,000 sales, show that only 13 percent were made to old policyholders of the same company, while 35 percent, almost three times as many sales, were made to policyholders of other companies, or, in other words, the other fellow's client. To my mind, the most fundamental rule for any man who aspires to consistent large production year after year can be boiled down to these words: 'Learn the value of a client.'"

Mr. Dobson pointed out that this is a broad rule, so he broke it down into some specific and definite suggestions about this job of building and holding clients:

"Remember that seeking and finding new prospects while vitally necessary, is the most costly job you have; costly in time, in travel, in spent energy and in morale."

"I don't want to be misunderstood when I make the accusation that finding new prospects is the most costly job we have. We hear a great deal about the necessity of constant prospecting. We also hear that prospects pay big returns, and the most successful agents are those who have planned and have executed a consistent and systematic prospecting plan. I would not want to detract one whit from all that has been said on that subject. Prospecting is necessary, but to my mind it is at best only a necessary evil which the agent should endeavor to reduce to a minimum as he progresses in the business year after year.

"Yet, how often we are guilty of urging prospecting on agents to the almost complete exclusion of proper attention to existing clients. General agents, managers, supervisors all too often decide that an agent is doing either a good job or a poor job solely on the basis of the number of new people he sees. We hear much emphasis on the law of averages and on such ratios as 40-14-1—see 40 people, get 14 interviews and make one sale. We hear these things stressed as the key to great success in life insurance selling. But it seems to me that anyone, if he stops to think, knows full well that a top-notch producer doing \$500,000 to \$1,000,000 or more a year simply hasn't time to see 30 or 40 new people every time he makes a sale; and most certainly he isn't depending upon the law of averages to do the job for him. He has learned to beat the law of averages. He has learned how to do the job by seeing fewer people, not more people. And so while I give full import-

(CONTINUED ON PAGE 40)

Our Congratulations . . .

HARRY T. WRIGHT

and our compliments include
all who helped you make your
year as National Association
President one of outstanding
accomplishment.

JEFFERSON STANDARD

A Picture of Progress

PENSION PLAN FOR AGENTS

To all the other advantages of being a Connecticut Mutual life underwriter—wide range of contracts and optional settlements, sales help, advanced training courses—the Company now adds a Liberal Pension Plan for full-time agents.

The preliminary announcement of this Pension Plan at the Company's recent convention at Quebec was received with enthusiastic acclaim. The plan goes into effect January 1, 1942 and is based on length of service, production and insurance in force.

HIGHLIGHTS

TOP PENSION - \$250 a month

NORMAL RETIREMENT AGE - 65 for agents coming with company at ages 45 and below; age 70 for agents coming with Company at ages 45-55.

RETIREMENT BENEFIT - automatic benefit is monthly income with one hundred monthly payments certain. Agent may choose to receive an equivalent life income without period certain or an equivalent joint and survivor annuity on life of himself and wife.

DEATH BENEFIT - return of contributions made by Company and agent, or \$2,000, whichever is the greater.

CONTRIBUTIONS - agent's contributions are matched by the company and are based upon agent's new life insurance production and insurance in force.

Connecticut
Mutual
Life Insurance Co.

95 years of
Dependable Performance

*The Cleveland
General Agents and Managers
shown here take this means
of extending sincere greetings
to the 52nd Annual Convention
of the National Association of
Life Underwriters gathered
in Cincinnati*



Greetings N.A.L.U. from Cleveland

... CITY OF CULTURE AND INDUSTRY

BANKS & TRANSUE, General Agents and Associates

THE PENN MUTUAL LIFE INSURANCE COMPANY

ESTABLISHED 1847

AT THE CROSSROADS OF COMMERCE SINCE 1875

**SETH A. BARDWELL AND
ASSOCIATES**

AGENTS

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY

1010 UNION COMMERCE BUILDING

TRUMAN H. CUMMINGS

GENERAL AGENT

NATIONAL LIFE INSURANCE
CO., MONTPELIER, VERMONT

1400 N. B. C. BUILDING

AGENCY ESTABLISHED IN 1869

RUSSELL P. THIERBACH, C.L.U.

GENERAL AGENT

THE NORTHWESTERN MUTUAL
LIFE INSURANCE CO. OF

MILWAUKEE, WIS.

925 N. B. C. BUILDING

W. ALLEN BEAM

GENERAL AGENT

STATE MUTUAL LIFE ASSURANCE COM-
PANY OF WORCESTER, MASS.

1440 LEADER BLDG. PHONE MAIN 9420

ONE OF CLEVELAND'S OLDEST AGENCIES

LLOYD H. FEDER

MANAGER OHIO DEPT.

RELiance LIFE INSURANCE CO.
OF PITTSBURGH

8TH FLOOR SWETLAND BLDG. PHONE CHERRY 5830

E. CLARE WEBER

MANAGER

THE FIDELITY MUTUAL LIFE
INSURANCE CO.

1002 KEITH BLDG. PHONE CHERRY 5242

WALTER H. BROWN

MANAGER CLEVELAND ORDINARY AGENCY

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

1128-36 HANNA BUILDING

Home Office, NEWARK, N. J.

WILLIAM J. SCHMIDT

GENERAL AGENT

THE OHIO NATIONAL LIFE
INSURANCE CO.

821 HANNA BLDG. PHONE CHERRY 6816

FREDERICK N. WINKLER, C.L.U.

GENERAL AGENT

THE MUTUAL BENEFIT LIFE
INSURANCE CO.

445 HANNA BUILDING

G. B. CHAPMAN

DONALD E. HANSON, C.L.U.

G. B. CHAPMAN & CO.

GENERAL AGENTS

AETNA LIFE INSURANCE CO.

6TH FLOOR LEADER BLDG. PHONE MAIN 5600

E. W. SNYDER

GENERAL AGENT CLEVELAND AGENCY

MASSACHUSETTS MUTUAL LIFE
INSURANCE CO.

9TH FLOOR HIPPODROME BUILDING

HENRY G. WISCHMEYER

GENERAL AGENT

JOHN HANCOCK MUTUAL LIFE
INSURANCE CO.

KEITH BUILDING PHONE MAIN 3360

How Agent Can Use Direct Mail To Make More Money

In outlining how an agent can use direct mail to make more money, before the women's session, Nelson A. White, advertising manager Provident Mutual Life, said there are usually four reasons why direct mail fails to do a good job in the life insurance business. The prospect list may be a dud. It is just as important that the direct mail prospecting be given as careful consideration as personal prospecting. It is also possible that the agent himself may be a dud. A poor direct mail letter in the hands of a good agent will do a lot more good than the best direct mail letter in the hands of an untried recruit.

Unless there is a good follow-up a good direct mail campaign will go to smash. Direct mail is just one more aid toward selling and does not supplant personal sales effort. The fourth factor in the mail campaign is a letter itself and in enlarging upon this Mr. White suggested some rules for letter writing that have helped him.

More Replies to Home Office

Contact or inquiry letters from the agent's home office will normally bring in far more replies than the same identical letter over the agent's own signature unless the mailing list consists entirely of friends and close prospects. In answer to the contention that it is hard to draw replies from the Pacific Coast because westerners don't like to answer eastern mail, a check was made in San Francisco. The mailing list was split approximately in half and the same identical letter was sent to both lists, one with the local office address and local signature and the other with the home office address. Letters mailed from the home office brought in 16.8 percent replies, while the letters mailed from the San

Francisco agency to local residents brought in only 7.1 percent.

These reply or contact letters are only a part of the job which direct mail can play for the agent, Mr. White pointed out. The pre-approach letter in which the agent builds up to an interview and makes a one-sided appointment to call on the prospect will probably lead to more business in the long run than a reply letter will. If 100 reply letters are sent out, it is possible to get only 10 or 20 contacts but on a pre-approach letter the agent is likely to see almost every one on his list.

There is also the post-approach letter which is written after the interview in which the agent summarizes the points of his sales talk and hammers home the reasons why the prospect should consider added life insurance. "We all make the mistake of thinking that our spoken words get 100 percent attention. Maybe it sounds silly to suggest that you return to your office after an interview and tell a prospect in black and white what you have just told him in person, but it isn't silly at all. Most people have visual memories and not auditory memories. They remember what they see more clearly than what they hear. Life insurance is a technical matter and as salesmen we use language with which the prospect is not too well acquainted. The result is that probably no detailed interview you have ever held, with its interplay of interruptions and asides, has ever registered 100 percent on the memory of your prospect, even though he actually was motivated to buy during the interview itself."

A survey of a number of agencies both rural and urban showed that where post-approach letters had been used regularly, they had been very effective in

Greetings TO THE N. A. L. U.

Congratulations on another year of outstanding service to the institution of life insurance, and our sincere good wishes for a memorable convention at Cincinnati.

Grant Taggart, official delegate, brings to you personally our cordial greetings.



GRANT TAGGART

**California
Western
States
Life
Insurance Company**



insurance companies and Tennessee life underwriters all join in one accord in congratulating John W. Witherspoon, general agent of the John Hancock Mutual Life at Nashville, on his election as President of the National Association of Life Underwriters.

This is a tribute, not only to Mr. Witherspoon and the Tennessee fraternity, but it is an acknowledgment of the fine talent that is found in the South. John Witherspoon is a capable man in every way. His heart and soul are with the life underwriters movement.

All of us in Tennessee will be back of him during his administration and will lend a hand whenever he calls on us.


VOLUNTEER STATE LIFE INSURANCE COMPANY

CHATTANOOGA, TENN.

CECIL WOODS, President

WELCOME N.A.L.U. to the BUCKEYE STATE

The Ohio Managers and General Agents shown here use this as a medium of extending a hearty welcome to those in attendance at the 52nd Annual Convention of the National Association of Life Underwriters ★ ★ ★ ★ ★

W. H. BROWN GENERAL AGENT THE MUTUAL BENEFIT LIFE INSURANCE CO. of Newark, N. J. 1125 BEGGS BLDG. COLUMBUS, OHIO	DAN W. HARRIS GENERAL AGENT THE LINCOLN NATIONAL LIFE INSURANCE CO. 851-52 EDISON BLDG. TOLEDO, OHIO
RALPH W. HOYER Chartered Life Underwriter JOHN HANCOCK MUTUAL LIFE INSURANCE CO. 42 EAST GAY STREET COLUMBUS, OHIO	MILTON SHERMAN AND ASSOCIATES THE CONNECTICUT MUTUAL LIFE INSURANCE CO. 308 BELL BLDG. TOLEDO, OHIO
LEONARD L. LENZ AND ASSOCIATES General Agents THE CONNECTICUT MUTUAL LIFE INSURANCE CO. 11 W. MONUMENT BLDG. DAYTON, OHIO 40 S. THIRD ST. COLUMBUS, OHIO	THE "PENN MUTUAL" IN TOLEDO CHARLES E. SPENCER GENERAL AGENT 327 RICHARDSON BLDG. TOLEDO, OHIO
FRITZ A. LICHTENBERG AND ASSOCIATES MASSACHUSETTS MUTUAL LIFE INSURANCE CO. 806 BUCKLEY BLDG. COLUMBUS, OHIO	CLAUDE M. SULLIVAN MANAGER THE UNION CENTRAL LIFE INSURANCE CO. 826-31 EDISON BLDG. TOLEDO, OHIO
PAUL M. SMITH GENERAL AGENT NEW ENGLAND MUTUAL LIFE INSURANCE CO. 708-9 BUCKEYE BLDG. COLUMBUS, OHIO	FRANK O. D. WHITE GENERAL AGENT MASSACHUSETTS MUTUAL LIFE INSURANCE CO. 634 SPITZER BLDG. TOLEDO, OHIO
CLYDE E. BLOSSER JOHN A. HILL  BLOSSER & HILL GENERAL AGENTS AETNA LIFE INSURANCE CO. 510 HOME BANK BLDG. TOLEDO, OHIO	HARRY N. WIETING, JR., C.L.U. MANAGER TOLEDO ORDINARY AGENCY THE PRUDENTIAL INSURANCE CO. OF AMERICA HOME OFFICE, NEWARK, N. J. 1811-1814 THE OHIO BLDG. TOLEDO, OHIO

cementing the relationship between agent and prospect, Mr. White said.

An agent can use a series type of mailing, such as a monthly blotter service or a series of letters spread out over a period of time to keep his name and the theme of his message continually before the prospect.

Mr. White said that in most cases where a reply is not desired, a personal letter from the agent to his prospect is much more effective than a formal letter devised by an advertising department or an advertising agency. "Success in life insurance selling is largely based on building your own prestige and no home office letter can build your prestige unless it definitely mentions you. Your own friendly messages are much more effective."

TEN LETTER RULES

Mr. White outlined 10 rules to help make letters click:

1. Always stick to your objective. If you are trying to spar for an interview, write your letter with that in mind. If you are trying to sell yourself, write your letter with that objective in mind and don't add any other extraneous or irrelevant ideas. If you are trying to interest a man in a certain type of policy, build up to that and nothing else.

2. Get off to a flying start. Your first sentence is your most important sentence because it is the sentence which determines whether the prospect will read the letter or throw it into the wastepaper basket. It is like a good headline to an advertisement.

Talk Other Fellow's Viewpoint

3. Talk from the other fellow's point of view. Every man is of most importance to himself. In a sales interview, you have to convince the prospect that the sale is essential to him rather than to yourself. It is equally necessary to do so in direct mail or in any other form of advertising. Your letter should aim to

gratify his vanity, stimulate his emotion and guard his interests. It should be couched in his language, not yours.

4. Make your letter apply to everyone to whom you send it. To avoid wasteful effort check every name on the list against the message of the letter in order to make sure the letter really applies to all.

Tell Your Story

5. Tell as much of the story as you need to tell to get your message across and no more. The "be brief" rule no longer applies. Test after test shows that the length of copy has nothing whatever to do with attracting or repelling readers. It isn't how much you say, but how you say it that counts. If you have a message, don't hesitate to tell it fully. Short or long, it has to be interesting if it is going to be read.

However, in writing pre-approach letters it is necessary to leave a few surprises for the interview and not tell too much of the story.

6. Don't hesitate to use curiosity. It is the sharp sword of salesmanship and the salt and pepper shaker of advertising.

7. Above all else, be clear. Don't get too involved, and particularly don't shoot too many figures at the prospect too fast.

Avoid Overstatements

8. Be believable. We can defeat our own purpose by claiming more than the reader will believe even though we claim only the truth. Understatement sometimes accomplishes more than overstatement.

9. Paint word pictures. The prospect thinks in terms of mental images and if you can create a mental image you have got your prospect on your side.

10. Appeal to the fundamental emotions. It is necessary to use emotion in direct mail but that does not necessarily mean sob stuff. It has to do with pride, with parental love, with sex, with fear, with comfort, with health, with security and with self-expression.

COLUMBUS MUTUAL GIVES DEFENSE BONDS

Puts Shoulder of Life Insurance to the Wheel of National Defense!



Adequate defense cannot be achieved without advance preparation. A man buys life insurance years before his life is in danger and a nation should prepare before it is attacked. To help members of our sales force become more defense-conscious, we have selected National Defense as the theme of our fall campaign—symbolized by this Victory Badge.



PROMOTES LIFE INSURANCE AS NATION'S GREATEST DEFENSE TO HOME AND FAMILY!

ANNOUNCING NEW PACKAGED SALES AMMUNITION SECURITOR PLANS

"Do Your Part In Home Defense"—today's words of ACTION to Columbus Mutual Agents. It's "firing" their efforts to new "heat" as the slogan of the Company's recently announced VICTORY DRIVE . . . a unique sales campaign sponsored to familiarize all agents with the important role LIFE INSURANCE plays in our Nation's defense efforts. In a novel, entertaining, sales-winning way it acquaints agents with the good citizenship signified by the ownership—and the sale—of Life Insurance. It helps them to more fully appreciate that Life Insurance is the best defense for home and family ever devised . . . as well as indirectly lending financial aid to our country's emergency needs.

And to further cooperate with National Defense, the top two producers in every production class will be awarded Defense Bonds . . . EXTRA PROFITS for accomplishment that say "we are doing our bit." Participants are also awarded VICTORY buttons which are later redeemable in cash by those who finish in the lead. And to encourage more competitive spirit, army officer ratings are given for specified increases in volume. In fact, the whole 60-day campaign is typical of Columbus Mutual's up-to-the-minute aggressive sales policy . . . a policy that helps agents make more money.

For **V** (Five) Selling Plans
For **V**isualized Selling
For **V**olume Production
For **V**aluable Prizes!
and Victory
IN LIFE INSURANCE SALES

ALWAYS IN FRONT! A Columbus Mutual sales policy which is again demonstrated by the new ammunition announced as part of this VICTORY DRIVE. And as usual, it's certain to be a winner! It's a new series of "Insurance Packages" known as the SECURITOR PLANS . . . easy-to-present, easy-to-sell forms that supplement the much-talked-about "packaged insurance" sales strategy, originated by Columbus Mutual many months ago. A method of selling that has helped agents everywhere make more money! And here again—with these plans—it makes a DRIVE TO PROFIT VICTORY a "cinch"!

The SECURITOR PLANS are offered in three different-sized packages—a size to fit any pocketbook. They offer what every family man wants—a specified monthly income for his family in case he dies, or similar benefits for himself in case he lives to 65. With the SECURITOR PLAN you provide both forms of protection for a surprisingly small annual deposit.

If you want insurance that's easy to sell . . . or a sales tool that gives you a perfect "door-opener" . . . a study of the SECURITOR PLANS will certainly prove interesting . . . and a real tip on how to boost commissions. Write TODAY for the SECURITOR SALES PACKET. It will be sent gladly without obligation to any Insurance Agent.

VICTORY ON TWO FRONTS

• The man who represents a company writing both Life and Accident-Health protection wins more victories because when resistance develops on one front he advances on the other. And, for a combined assault, he uses the Federal Streamliner, which provides life-Health-accident-Hospital protection in a single policy.

• Federal has set new production records for 20 consecutive months. Results prove Federal's contracts offer the things the insurance buying public wants.

FEDERAL LIFE INSURANCE CO.

ISAAC MILLER HAMILTON
Chairman

L. D. CAVANAUGH
President

CHICAGO

ADDRESS D. E. BALL, PRESIDENT
The COLUMBUS MUTUAL Life Insurance Co.
COLUMBUS OHIO

Skill in Detecting Needs Essential, Kollenberg Says

(CONTINUED FROM PAGE 7)

a clear understanding of taxes and their effects. The salesman should use his knowledge of taxes, not with a view of acting as a tax expert to advise his client how to save on taxes, but rather how to use insurance to help pay his taxes. The laws and Treasury rulings are changing too rapidly for the salesman to assume the responsibility of offering advice regarding methods of tax savings. It is my practice to refer mooted questions to his accountant or lawyer. But if I take the position that insurance should be used to pay taxes, I am not disturbed with the changes in the law or rulings. Changes in the tax law these days are in one direction—upward, and can affect me in only one way—need for more insurance. Since tax laws are designed to raise revenue, questionable or doubtful tax saving schemes will be decided in favor of the government.

Should Be Familiar with Estates

The salesman should have a knowledge of wills and trusts, and the law pertaining to the descent and distribution of property in his state. Dealing with the creation and distribution of estates, transferring property by contract vs. will, utilizing trusts and trustees, dealing with widows and minor children, a general knowledge of these subjects will enable him to discuss more intelligently the problems of his prospect.

It is possible for a salesman to be thoroughly grounded in these subjects, and if he isn't, a little study will soon give him the necessary information. He may know the laws pertaining to partnership and corporations; he may have a knowledge of accounting; he may be familiar with the latest rulings by the Treasury Department, and yet fail to make sales because he doesn't know how to apply his knowledge.

Fumble the Ball

It is at this point that I think many salesmen fall down. Here is where they fumble the ball. When they go out to talk business insurance, they are determined to stick to the subject, come hell or high water. Nothing can swerve them. Here is a need which can be met by life insurance, and they are going to hammer that idea into the prospect's head until he is worn down and accepts, or finally terminates the interview by stating that he is not interested.

I think this is the wrong technique. The interview gives the salesman an opportunity of ferreting out and discovering

(CONTINUED ON PAGE 22)

Big Personal Producer Makes Hit as Speaker



A. H. KOLLENBERG, Grand Rapids Mutual Benefit Life



BUCKLE DOWN

America!



World events observed through eyes blurred by propaganda cause humans to be led where, in normal times, seem disastrous. But—

Today's work program is jarring yesterday's social trend.

So What?

Buckle down, America! Work makes prosperity. Buckle down to your job. Put on eye-blinkers to keep you seeing and thinking clearly about your main objective in life.

America has its hands on the production wheel and will push it through to security.

Midland Mutual Men are backed up --

with a profitable agency contract
with financial backing
with a tested agent's training plan
with a liberal financing plan for agents
with an adequate Home Office supervisory system

with proven selling plans
with a complete sales kit
with policies for every purpose
with low monthly premiums
with a cooperative Home Office



THE MIDLAND MUTUAL LIFE INSURANCE CO.

COLUMBUS, OHIO



ONE LA SALLE STREET BUILDING

An Address of National Prestige—

Rates and Floor Plans on Request—

L. J. SHERIDAN & CO., Agents One La Salle Street, Chicago

Outstanding Life One La Salle

THE LIFE INSURANCE

FRED. S. JAMES & Co.

SINCE **INSURANCE** 1872

WRITING ALL LINES OF INSURANCE

LOCATED ON THE 2ND AND 3RD FLOORS

FIRE
MARINE

CASUALTY
BONDS

LIFE

ONE LA SALLE STREET BUILDING

Telephone—Central 7411

CHICAGO, ILL.

TELEPHONE STATE 3378

ROCKWOOD S. EDWARDS

One La Salle Street
Suite 1914



General Agent

**AETNA LIFE
INSURANCE
COMPANY**

CHICAGO, ILL.

Charles J.

ZIMMERMAN

Agency

**THE CONNECTICUT
MUTUAL LIFE
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MUTUAL
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The General Agents and managers with offices at One La Salle Street whose names appear here have unequalled facilities for handling all life insurance business. Brokers will find prompt and unusual service on brokerage business at these offices. Men who desire to become Life Underwriters and connect with well established organizations that will give helpful aid will find an opportunity awaits them.

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FREEMAN J. WOOD

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Lincoln National Life Insurance Co.

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LA SALLE ST.



AN AGENCY WELL EQUIPPED TO
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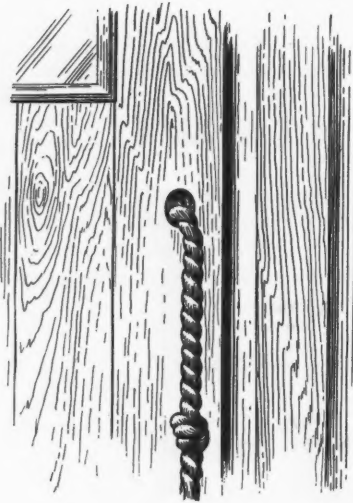
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and Develop Steady Producers*

The Latchstring Is Out . . .



The Western and Southern heartily welcomes the members of the National Association and all others in attendance at the National Convention. You are most cordially invited to come and see us.



Get a complete copy of our Fifty-Third Annual Statement, in color, at our display on the mezzanine floor, Hotel Gibson.



THE WESTERN AND SOUTHERN

THE SAFETY

C. F. WILLIAMS . . . P

C. M. WILLIAMS Executive Vice-President

ADMITTED ASSETS . . \$188,772,252 • TOTAL LIABILITIES . . \$160,984,771 • CAPITAL SURP

HOME OFFICE

NOW OVER A BILLION DOLLARS



NATIONAL LIFE INSURANCE COMPANY

FOR THE SAFE

President

W. J. WILLIAMS Field Vice-President

CAPITAL SURPLUS . . \$27,787,481 • INSURANCE IN FORCE DECEMBER 31, 1940 . . \$993,552,639

CINCINNATI

OF LIFE INSURANCE IN FORCE

(CONTINUED FROM PAGE 17)

what is the most pressing problem in the prospect's mind. The skill in handling an interview consists in discovering just what that problem or need is. It takes no brains to see the obvious and to offer the obvious solution. Other salesmen have been there before with such ideas. I must find something different if I am to interest him.

Not Technical Expert

My approach to business insurance is not that of a technical expert. Armed with the equipment which I have just reviewed, I am prepared to render whatever service may be necessary in solving my prospect's problem. I find the business insurance approach is easier. My prospect is talking business all day to other salesmen handling various items. Each has something which he thinks will save or make the prospect money. When I come in I do not disrupt the train of his thinking. I, too, have something that may save or make money for his business.

I can present my selling ideas to you more effectively if I take you along with me while I expound my ideas to the prospect. The ideas which will sell my prospects will sell yours if the problem to be solved is the same. A recitation of actual cases will bring out the significant points better than if I attempted a generalization of them. Prospects are not interested in broad generalizations. They are interested in only one thing—the most efficient and economical solution to their problems. Sometimes the problem is obvious and it requires no great skill in suggesting the appropriate solution. Other times, the problem must be ferreted out. The prospect himself may not be conscious of the need for insurance; may not see his problem in the proper perspective. The salesman must learn how to prod and search until he finds a peg on which to hang an argument. Let me recite a case which will illustrate this point:

One of the officers of a concern carried personal insurance with me. I attempted to sell him the idea of carrying corporation insurance on the lives of the important officers in favor of the concern, to



Vice-president A. E. Patterson of Mutual Life, past N. A. L. U. president, and Lewis W. Douglas, president of Mutual Life, convention speaker; Wolf Guon, president Metropolitan Life Managers Association of Chicago; E. R. Blackwood, Metropolitan Life, Indianapolis, bridge expert, originator of the "Blackwood convention" and convention speaker.

provide funds to liquidate the interest of a deceased stockholder. I pointed out the hazard of entrusting his interest to the survivors who might not be so able in managing the concern. I pointed out the advantage of having his interest secured to his family by using the settlement options in the policy. I exhausted every argument I had and the answer was "No." I left. A few weeks later I was back with a different story. I suggested insurance on his life in favor of the company to reimburse the latter for the loss of their ablest officer. I had a chart which shows the value of brains to a corporation. Here it is:

"Three factors enter into every successful enterprise: Capital, labor and brains.

"Capital in the hands of the manufacturer or merchant isn't worth any more than it is in the hands of the banker. The latter determines its value, charges

you 6 percent and calls it interest. What your concern makes above the 6 percent on the invested capital must be credited to brains.

"A firm capitalized for \$100,000 with \$30,000 profits, would divide the profits as follows:

"Interest or share to capital...\$ 6,000

"Balance or share to brains...\$24,000

"Brains are worth four times as much as capital to a going concern. Each of these factors is exposed to its own peculiar hazard. Capital is exposed to the fire hazard, and you carry fire insurance to protect your investment. Labor is exposed to accident and you carry compensation insurance to protect your investment. Brains, the factor that contributes fully 75 percent of your profit account, is exposed to far greater hazards than either capital or labor. How much insurance should you carry on this to protect your investment?

"If you had a machine that would do the work your brain does, would you insure it? And isn't that what your brain is? A machine that makes possible the profitable utilization of the other factors in your business? Don't you realize that if your temperature goes up two degrees your wife calls a doctor—you are feverish. If it goes down five degrees she calls an undertaker—you are a corpse.

"There isn't a machine in your plant that is operating on so narrow a margin of safety."

Learn Essential Facts

I was with him over an hour. The answer was still "No." But in the course of the conversation I learned these facts: He and one other partner controlled 52 percent of the stock, 26 percent each, and the remaining 48 percent was scattered among a dozen others. When I returned to the

STATE MUTUAL
Wrote its First Policy in Cincinnati in 1845

IT HAS BEEN SERVING THE PEOPLE OF CINCINNATI
FOR NEARLY A HUNDRED YEARS.
AN OLD COMPANY STILL YOUNG

We salute our Cincinnati General
Agent... Lee B. Scheuer and
his able associates

State Mutual Life Assurance Company
of Worcester, Massachusetts
Rugged as New England's Rock Bound Coast

office I began puzzling about this bit of information. That night when I went to bed I was still thinking about it. With that on my mind I fell asleep. In the morning an idea hit me. I had found what I was looking for—a peg on which to hang an argument. I had learned that the company was making money and paid good dividends, but I also learned the salaries of these two larger stockholders were much greater than their dividends. The next day I went back with this story. I said, "You don't need corporation insurance or credit insurance. Here is your problem: You and the younger man get along well together. Each of you is drawing a nice salary from the business. If the young man dies and his administrator should join forces with the other 48 percent they would control 74 percent of the stock. They could decide that your services were too expensive and deprive you of your job, which pays you more than the dividends on your stock."

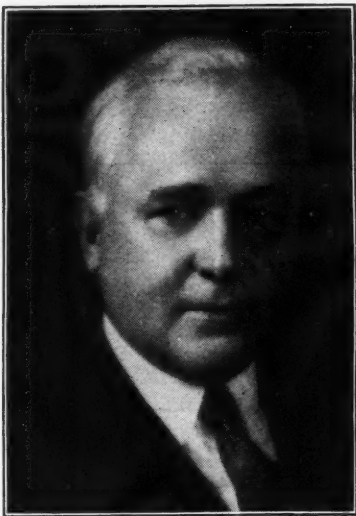
Prospect Becomes Interested

All of a sudden he took an interest in me. "Wouldn't it be desirable if you could make an arrangement by which you could be assured that you would always have control of the business if your partner died?" I presented the same story to the younger man. The net result was to place \$50,000 of insurance on each to provide funds to acquire the stock of the deceased and so assure the survivor control of the business and make secure the payment of his salary. A trust company handled the details and the agreement. Later the corporation decided to insure the three main officers for \$125,000 in favor of the corporation and I was in on the ground floor and placed the insurance. The original agreement was cancelled and they now carry the \$50,000 as personal insurance. I have since sold the older man \$50,000 more insurance.

This is what I meant when I said the skill in handling the interview consists in discovering what is uppermost in the mind of the prospect.

I mentioned that the well equipped sales-

Company Chief Speaks at Friday Session



T. I. PARKINSON
President Equitable Society

man uses life insurance to help pay taxes. That is a legitimate function of his service. This case will illustrate what I mean:

Three men own the stock in a corporation. It is a manufacturing concern. Its competition is keen. I had tried for years to sell business insurance but never succeeded. I had sold them a nice line of personal insurance and it was tied up under settlement options. They had few assets outside of their interest in the business. One day I stumbled across a decision on the Corning Glass Works decision on valuing of stock of close corporations. (Houghton v. Commissioner, U. S. circuit court of appeals, 2nd Circuit, June 18, 1934;

INVESTMENT IN FREEDOM

Political freedom means little to the man who has lost his economic independence. Our first step in maintaining the American way of life, therefore, is to place our own house in order. Fidelity made an outstanding contribution to the solution of this problem when it originated the "Income for Life" plan in 1902.

"Income for Life," potent though it is in its sales appeal, and basis of Fidelity's successful direct mail service, is only one item in a complete sales kit which includes also Modified Life, Family Income, Family Maintenance, Modified Income for Life, Disability Income, Term to 65, Juvenile, Standard and Sub-Standard.

Fidelity has won a reputation for friendliness to its agents, but its friendliness also to its policyholders is the foundation upon which its field has profitably built for more than sixty-three years.

The **FIDELITY MUTUAL LIFE**
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, *President*

We Salute THE LIFE UNDERWRITER

☆ A man unsung in the annals of poetry and song;

☆ A man who has made himself indispensable to his community;

☆ A man respected, whose sound advice is seldom disputed;

☆ A man whose discerning sympathy and shrewd business ability have leveled the black clouds of worry;

☆ A man who is more and more becoming financial advisor to his clients—a friend of the inner circle;

☆ A typical American—The Life Underwriter. We salute you.



PEOPLES

LIFE INSURANCE COMPANY

"The Friendly Company"

FRANKFORT, INDIANA

affirming 26 B. T. A. 1359.) It stated:

"The commissioner adopted a formula which was not shown to be ill fitted to reach the true market value of such property. He found the average income of the company for five years and appraised its tangibles for the same period. He then deducted from the average income 8 percent of the value of the tangibles. The remainder he capitalized at 15 percent and took that as the value of the intangibles. The sum of tangibles and intangibles was the value of the assets; the value of the common shares was this sum less the par value of the preferred shares.

"In a recent New York case, earnings were capitalized at 8 percent. Equal weight was given to the value determined on that basis and book value. (Foster v. Tax Commission, 239 App. Div. 806.)"

Has Peg for Argument

Immediately I went to see this concern. I had a peg on which to hang an argument. "You men are going to have a tax problem." They poohpooed my idea and asked how much it was on \$100,000. It wasn't much after deducting the specific exemption. "You men have the wrong figures. Let me give them to you. I am going to assume these figures are right and you question them if I am too far out of line:

Earnings	\$60,000
Tangible assets	\$300,000
8 percent	\$24,000
	\$36,000

Capitalize at
15 percent 240,000

\$540,000—\$180,000 each

"You may think you are worth \$100,000 but the government will tax you on \$180,000.

Presents Problem Involved

"Here is your problem: If one dies, his widow inherits his share in the business. Where is she going to get the cash to pay the government? There are no other assets. If she can't raise the cash and this stock

is thrown on the market, a competitor could acquire it and you would have someone in the business you didn't want. You can eliminate this risk. Have the corporation carry \$25,000 of insurance on each of your lives and make it payable to the corporation. Draw an agreement between the corporation and each partner, giving the corporation the right to buy from your wife, \$25,000 of stock for \$25,000 cash. This will place in her hands cash to pay the government and you will not have to worry about admitting a stranger in your midst. The immediate pressure is eliminated. Thereafter you can work out whatever arrangements you wish with the widow. She will come to you first and you can afford to pay as much as any stranger might offer if she were inclined to sell." The decision was instrumental in placing \$75,000 of business insurance.

Begins to Fish

I want to be known as a life insurance salesman, not as a lawyer or tax expert or corporation or partnership expert. I want to take care of every life insurance need that may arise in the affairs of my clients and prospects. I see no reason for curtailing my market by limiting my service. I use business insurance as an approach. When I get in I begin to fish. To be sure, I have a few definite ideas I present. This is to engage my prospect in conversation. I am hoping that somewhere in the discussion some hint may be dropped that will give me a clue as to what my prospect is thinking.

Starts Business Campaign

I started a campaign on business insurance this year and here is my program. I send out a few letters from time to time to a selected group of executives. The letter is brief. It merely recites that due to the impact of taxation it is becoming increasingly difficult for business executives to accumulate reserves to meet the various hazards of business. Some of these hazards are already covered by fire, compensation, use and occupancy insurance, etc. The greatest hazard the business can



**FRIENDLY
PROGRESSIVE
STRONG**

Galveston, Texas • W. L. Moody, Jr., Pres.

suffer is the loss of its key men. "It is to acquaint you with a service we have, to meet this situation, that I ask you to grant me an interview when I call on you in a few days."

You will notice that I do not ask him to reply to my letter. I have suggested the nature of my conversation by mentioning other forms of insurance. I have picked a selected group of prospects, so I am not shooting at random. I shall rely on my native wit to ferret out something in each case on which to hang an argument.

So much for theory. Now for practice. One man asked me to see him later. Another had a gravel pit, and he convinced me that he didn't need the insurance. The third was a real prospect. I shall tell you about him.

Talks Estate Taxes

I began talking on estate and inheritance taxes. In the course of the conversation I learned he owns 89 percent of the stock in the firm. His wife has $4\frac{1}{2}$ percent of the stock, and an associate whom he brought into the business several years ago, has $6\frac{1}{2}$ percent. I saw at once a greater need for business insurance. So I submitted this appeal:

"What inducement will your associates have of continuing the business if 93½ percent of their efforts will go to your wife, who contributes nothing to the success of the business but the use of her money? If your associates are capable, they can always get a job. To retain them you should offer them an interest in your business. For unless your equipment is productively employed it will become junk and your family will lose all.

Utilize Bonus Plan

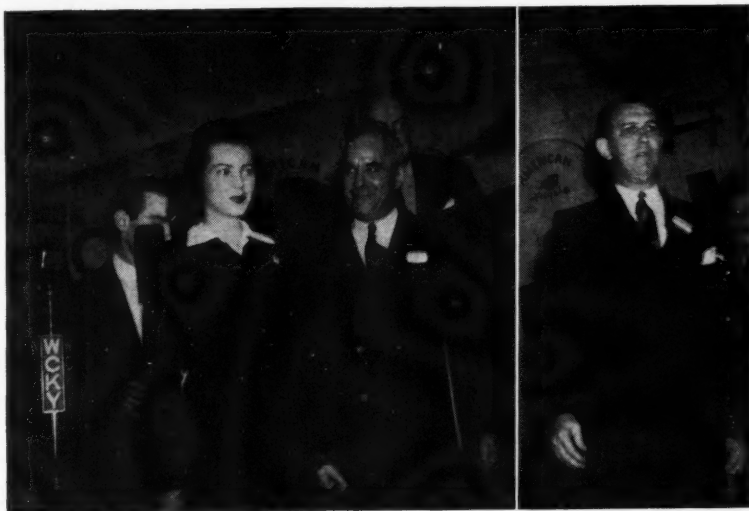
"Utilize the stock bonus trust plan. The corporation creates a trust in favor of key men and uses the proceeds to buy insurance on large stockholders. An agreement between the trustees and you will give them the right to use the proceeds of the insurance on your life to purchase from your estate, stock in your business. This plan will not only give the key men a proprietorship interest in the business, but it will provide your estate with cash to meet death duties. Incidentally, there will be savings in income taxes to the corporation."

He said: "You know, I have been thinking along somewhat similar lines. See me in a few weeks." It was fully two months before I was able to make contact and I prevailed upon him to be examined. He agreed to see the doctor that day and I suggested that since he was doing so much for his associates, that he be protected by letting the corporation carry insurance on his right hand man. He approved and I came back from the doctor's office with both examination blanks, and the problem of making the sale began. He was not ready to decide amount or plan. After a couple of weeks of stalling I finally told him I would have to send the blanks in, and I suggested \$50,000 for each; we settled for \$50,000 on the older man and \$25,000 on the younger, both on the ordinary life plan but they were not prepaid.

Studies Bonus Trusts

Before the policies were issued I decided to obtain a comprehensive knowledge of this type of trust. I called one of the foremost law firms in the city, and during the next two weeks I had a half dozen interviews while I was coached in the fundamentals of bonus trusts so that I was prepared to answer any questions my client might ask. The policies were issued and my prospects were out of the city to be gone for several weeks. Let us leave this case for a moment. I'll return to it, but come with me on another case:

This man had a problem similar to the one I just cited, and anxious to try out my newly acquired knowledge of stock bonus trust plans, I called on him with my proposition. He was interested but did not want the ordinary life plan. He wanted a 10 year endowment so that he could get some money out of his business during his lifetime. It had never occurred to me to use such high priced policies, but I could see a tremendous sales appeal with this type of policy. There were long-drawn-



Glimpses of a dramatic setting at convention opening, with airline backdrop out of which pour national officers. At left is Jerry Courtney, airline hostess, and by her side is President Harry T. Wright of N. A. L. U. wreathed in princely smile; then comes John A. Witherspoon, John Hancock, Nashville, then vice-president, but assuming presidential mien.

out interviews between client, tax expert, bought \$50,000 of 10 year endowment. lawyer and myself, following which he Look what this means. He can obtain

money from his business during his lifetime. He can fix a date when he plans to retire and be assured that a substantial amount of cash will be there waiting for him.

Now let us return to our original case. I had learned something with my second case, so I took with me a schedule showing the premium and cash value of a 10 year endowment. I presented it to my prospect and he decided in favor of the 10 year endowment for the bonus trust and kept the ordinary life on the younger man. I had a hunch he would take the endowment policy, but I had another idea. "Why do you want this plan?" I asked. "For practically the same outlay you can have \$75,000 of 15 year endowment, and the cash value on \$75,000 of 15 year endowment in 10 years is nearly as much as the cash value on \$50,000 of 10 year endowment. You may not want to retire in 10 years. Then you could carry on for five years or more and receive \$75,000 in cash." I had a sheet showing these figures. He bought the \$75,000 15 year endowment.

I turned to the younger man and said: "With all the insurance that's knocking around here, I can't see where your family is going to get a dime if you die. Let's explore this situation." When the exploration was over, he had \$25,000 more for his family.



An American Symbol - 1845

Scarcely 70 years after the Declaration of Independence, this emblem appeared on the first policy issued by the Mutual Benefit. The Founders chose it as symbolic of the devotion to the welfare of others which is the spirit of Life Insurance. The Company they founded has itself become an exemplar of a genuinely

American spirit of cooperative enterprise. The Mutual Benefit began as — and still is — a group of policyholders united for their common good. It has grown to be a great Company through 96 years of adherence to the original principle that what is best for the policyholders is best for the Company.

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

HOME OFFICE



NEWARK, N. J.

Million Dollar Goal Can Be Reached with Small Cases

Parsons Tells How He Developed Business from Scratch in Los Angeles

Methods by which multiple line and small case agents can build their life insurance production to a million dollar a year basis were outlined before the Million Dollar Round Table by Harold S. Parsons, Travelers, Los Angeles. Mr. Parsons is one of the four round table members who represent multiple line companies. His average life case is only \$8,000 but for the past 10 years he has averaged 125 to 150 life cases a year in addition to handling other lines.

Many good life agents fail to qualify for the Million Dollar Round Table because they have the mistaken idea that only experts in handling tax matters and big business cases can attain the goal, Mr. Parsons said. To show that this is far from the case, he outlined his career. Starting in the business in Toronto in 1925 Mr. Parsons became the Travelers leading agent in Canada before he moved to Los Angeles in 1928. In a strange city he had to start cold canvassing and he concentrated on investment people because his business in Toronto had been largely among that group. The first year was tough and he wrote only \$75,000. The second year he passed the \$1,000,000 mark but the third year the stock and bond firms were hard hit and he suffered accordingly.

Reorganizes His Prospecting

To reestablish himself Mr. Parsons reorganized his prospecting, using the solicitation of accident, casualty and fire lines as well as life in order to expand his contacts.

He obtained salary allotment franchises which brought in and still bring in a nice volume of business. He also was fortunate in being able to make a favorable contact with an influential local chain store manager. From him he obtained the names of all the managers in the Los Angeles territory. Within two years, he established himself as the life and general insurance man for most of their managers in and around Los Angeles, and from this group the life insurance volume alone has been substantial every year since.

Clients Fall in Groups

"Most of my clients now are members of groups of one kind or another, groups of store managers, groups of attorneys in a law office, groups of department managers in manufacturing or mercantile establishments, groups of sole proprietors or partnerships who are in similar lines of business, groups of professional men—groups of any kind where there is a common interest between them. I have found there is a great value in that for me," Mr. Parsons explained.

Large Active Clientele

"My active clientele numbers about 900 and for the majority of these I have written life insurance. About 35 percent are accident policyholders also, and 40 percent are carrying their fire, automobile and other forms of general insurance with me. The office detail of these various lines is handled entirely by my secretary, renewal notices on accident being mailed automatically (annual average lapse ratio about 2½ percent), and renewal fire and casualty policies being mailed in most cases with a personal letter from me accompanying them.

"I suddenly realized about five years ago that my general business had grown to the point that it was costing me

money, as compared with the dollar return on the time I spent soliciting life insurance. I decided then to specialize entirely in life, and since that time have solicited no general lines, with the exception of accident insurance. I still retained the fire and casualty business, however, and it has grown each year without solicitation. You might be interested to know that my income last year came from the following: 15 percent from accident insurance, 14 percent from fire and casualty lines, 71 percent from new and renewal life and group commissions. If any of you are tempted by the income which comes from the accident, fire and casualty lines, let me tell you that 50 percent of my secretary's time is taken up in the detail of that 29 percent of my income—but still it more than pays the office overhead, and takes up the slack in income very satisfactorily during lean periods. My fire and casualty business is with individuals entirely, most of whom are life insurance clients, and in most cases the policies renew regularly without any effort on my part.

"I found several years ago that I could not afford the time to handle the various lines of general insurance required by corporations and business firms. The detail was too great and the competition too keen."

Consider Place for Pre-Convention Outing

Now that Minneapolis has been selected for the 1942 meeting, members of the Million Dollar Round Table are giving attention to selection of a place for the pre-convention outing. The Breezy Point resort near Brainerd, about 150 miles north of Minneapolis, has been suggested. Another possibility is Lawsonia, Green Lake, Wis.

It is not certain where the main convention sessions will be held. The Minnesota Theater is only a block from the Radisson hotel and it may be used. It was a boom time promotion that was a financial failure and it is not being used for any regular purpose.

The Minneapolis people are eager to stage a memorable convention and they will tackle the job with a great deal of spirit.

Proctor-Smith Coincidence

At the Northwestern Mutual Life dinner quite a coincidence developed. Herbert Smith of Harrisburg recalled that July 15, 25 years ago, he stopped at the Gibson in Cincinnati on his wedding trip. E. T. Proctor of Nashville on July 26, 25 years ago, stopped at the Sinton, also on his wedding trip.

New Head of American Society of C. L. U.



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ON LAKE MICHIGAN - CHICAGO

Los Angeles Greets

THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

The Managers and General Agents of Los Angeles, shown on this page, take this means of extending felicitations to the N. A. L. U. assembled in Cincinnati.

We congratulate this great life insurance organization on its progress.



● CABRILLO BOULEVARD, THE WIDE BEACH THOROUGHFARE OF SANTA BARBARA AND THE MAIN HIGHWAY SOUTH TO LOS ANGELES.

WALTER J. STOESEL

GENERAL AGENT

WALTER M. SAINT, JR.

Associate General Agent



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VERMONT**

Southern California Agency

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THE SIEGMUND AGENCY

WILLIAM H. SIEGMUND, General Agent

E. G. WALLS, JR., Agency Manager

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HENRY E. BELDEN

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SAN FRANCISCO

THE PROUTY AGENCY



PHINEAS PROUTY, JR., AND ASSOCIATES
530 W. SIXTH ST. LOS ANGELES

W. K. MURPHY

GENERAL AGENT

**NORTHWESTERN MUTUAL LIFE
INSURANCE CO.**

609 S. GRAND AVE.

LOS ANGELES

W. T. SHEPARD

GENERAL AGENT

J. F. HACKMAN

Associate General Agent

**THE LINCOLN NATIONAL LIFE
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"LINK UP WITH THE LINCOLN"

510 W. SIXTH ST.

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GENERAL AGENT FOR SOUTHERN CALIFORNIA

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of Boston, Massachusetts

510 W. SIXTH ST.

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ROY RAY ROBERTS

General Agent

L. S. ROBERTS

General Agent

ROY RAY ROBERTS AGENCY

GENERAL AGENTS—SOUTHERN CALIFORNIA

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of Worcester, Massachusetts**

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HAYS & BRADSTREET

GENERAL AGENTS

**NEW ENGLAND MUTUAL LIFE
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of Boston

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CHARLES E. CLEETON, C. L. U.

GENERAL AGENT

**OCCIDENTAL LIFE INSURANCE
COMPANY**

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LOS ANGELES

WILMER M. HAMMOND

GENERAL AGENT

**AETNA LIFE INSURANCE
COMPANY**

10TH FLOOR, 810 SPRING ST.

LOS ANGELES



K. A. LUTHER & CO.

General Agents

K. A. LUTHER L. W. SECHTMAN
Aetna Life Insurance Company

Lincoln Building 60 East 42nd Street
New York
MUrray Hill 2-0200

OSBORNE BETHEA

General Agent

The Penn Mutual Life Insurance Co.
50 Church Street
New York City

CLANCY D. CONNELL

Provident Mutual Life Insurance
Company

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COrtlandt 7-4790

THE FRASER AGENCY

Connecticut Mutual Life Insurance Co.
Hartford, Conn.

JOHN M. FRASER, General Agent
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Equitable Suite

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GERALD A. EUBANK, Manager
40th Floor — 40 Wall Street
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GREETINGS to CINCINNATI from NEW YORK GENERAL AGENTS and MANAGERS

Aetna Life Insurance Company

R. H. KEFFER

General Agent

151 William Street

New York

REctor 2-7900



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GENERAL AGENT

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JAMES ELTON BRAGG, C.L.U., Manager

The Guardian Life Insurance Company
of America

50 Union Square

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AGENCY**

Columbian National Life Insurance Co.
LESTER E. BEARDSLEE, JR., General Agent

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PAUL S. RANCK, Vice-Pres.-Treas.

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JULIUS M. EISENDRATH
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Stresses Agency Morale as Most Important Factor

(CONTINUED FROM PAGE 10)

toward those with and under whom he works.

Let us go back to the "Life" survey of the sample army division. Why was morale generally poor? Here is what the men say:

First, the army has no goal. The men do not know whether they will fight, when they will fight, where they will fight, and most important, why they will fight.

Has Not Done Its Job

It would seem to me that this condition indicates that leadership has not done its job of taking the men into its confidence and of selling objectives. Second, men have no faith in the officers who command them. They lack confidence in the knowledge, ability and skill of their leaders. Third, the men can see no promotion ahead. They state that initiative in the form of new ideas and suggestions is discouraged. Fourth, the men have a feeling of insecurity. Many do not feel that they will regain their old jobs after they have been discharged, or that they can find new ones. Fifth, the men state that the training is hopelessly outmoded, that they are not being trained in mechanized warfare but rather in drill and parades that will be of no benefit in actual combat. Sixth, the men feel that they cannot be adequately trained because of lack of equipment. Seventh, men complain because of lack of recreational facilities. Eighth, and finally, they complain because they are not given social recognition. The townspeople and civilians look upon them with suspicion.

Exception to Rule

Despite these complaints one mechanized company in this division was found to have the highest morale. The men in this company state that they admire their leader because, first, he understands and

does lead the men. Second, he works with the men. Third, he has skill and knows what he is doing.

Now back to the life insurance business and the Research Bureau study. Of 14 basic criticisms which the men made of their general agents and general agency operations, the men in those agencies which had the highest morale indicated that this was due to the following three factors:

Helped Men in Work

First, the general agent really helped the men in their work. Second, the general agent was genuinely interested in helping the men with their personal and financial problems. Third, the general agency was well managed.

Just as the soldier's morale is affected chiefly by his attitude toward his captain, not by insecurity or lack of social recognition, so is the agent's morale chiefly affected by his attitude toward his general agent, not by his present earnings nor by what he thinks of his contacts with the public.

The general agent in all superior morale agencies differed chiefly with the general agent in mediocre agencies in these three respects: First, his attitude toward his agents which was one of genuine willingness to help in any problem, unselfishness, sympathy, fairness, justice and good fellowship. Second, his personality. He was courageous, enthusiastic, and of an even temperament. Third, his skill and ability.

The general agents in superior morale agencies stated without exception that their first job was to help the men in their present organization to succeed.

The general agents in the mediocre morale agencies stated that their big job was to recruit men and to build volume.

It is interesting to note how the general agents in both the superior and the mediocre morale agencies rated themselves in comparison to the rating given to them by their men and by those conducting the research.

Let us take willingness to help the men. In the superior morale agencies the gen-

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TO

52nd

ANNUAL CONVENTION

OF THE

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS ASSEMBLED IN CINCINNATI



AMICABLE LIFE INSURANCE CO.

WACO • TEXAS

eral agents claimed 82 percent proficiency. Their actual rating was 86 percent. In the mediocre morale agencies the general agents claim 79 percent proficiency but, sad to relate, their men disagreed and gave them only 27 percent.

Ratings Are Considered

Now let us consider the ratings from the standpoint of their ability to help men. The superior morale general agents claimed 94 percent proficiency. They did not underestimate themselves for the men gave them 85 percent. The mediocre morale general agents were not quite so confident of their ability to help. They rated themselves 75 percent proficient but the men said they were only 31 percent proficient.

It would be interesting and undoubtedly worthwhile for each general agent periodically to have his men rate him in those factors which are most important in building morale. This has been done in a few agencies. Certainly there might be a few surprises in store for some of us.

Finally, we may agree that morale is a man's mental attitude toward his job and even more important toward those with and under whom he works.

Assuming we know what morale is, it then becomes important to know what it is based upon. The building of morale is based on three main principles.

"Builder-Upper" Recognition

The first of these is known as the principle of recognition. I prefer to call it the "builder-upper."

Are you as thoughtful of your associates as you advise them to be of the policyholders and prospects? Do you recognize birthdays, anniversaries, births and marriages?

Are you sincerely interested in his personal and family welfare as well as in his business welfare? Have you coached your office staff to inform you about personal, family, and financial matters, which otherwise might not come to your attention?

Do you continually build your agent up with his wife, by selling her on the business, for example, and the help she can give him? Do you build him up with his fellow agents by giving recognition at your agency meeting and your agency bulletin of a job well done?

The Sanborn agency in Boston has this motto, "The best reward for good deeds done is that other men may know of them."

Do you build your agent up with his competitors through securing publicity for him in insurance publications, for example?

Build Him Up with Policyholders

Do you build him up with his policyholders through special letters over your signature calling their attention to some achievement on his part?

Do you build him up with his prospects by sending them clippings from magazines or newspapers concerning some achievement of your agent?

Do you build him up with the public through securing newspaper publicity for him or by encouraging him to become active in civic affairs, so that he may become the insurance man in his community?

Most important of all, do you build him up with himself by praising him for a job well done? By trusting him? By lending financial assistance when it is needed? By believing in him? Your very attitude toward him shows whether you have faith in him or whether you have lost confidence.

In other words, are you a helluva good guy in the eyes of your agents?

Use Professional Skill

The second principle of morale building is the principle of using professional skill. I prefer to refer to it as the principle of "close personal supervision and stimulation."

Has your sale of the business to him been an honest one? Have you given him a sound training in fundamentals? Do you participate in the training or do you wash your hands of this? Is your training continuous? Do you give review courses? Is your training broad or do you confine it merely to life insurance? It is my belief that the general agent can teach his men not only principles of life insurance but the principles of life. Do you keep your

men informed on subjects such as inflation, labor problems, economics, government and business conditions so that if necessary they can, at least with some intelligence, discuss these matters if the better than average prospect insists on doing so?

Do You Coach Agents?

Do you coach the agent so that he will develop skill? Routine effort takes a smaller toll of both physical and mental strength. Have your men been coached and drilled so that they develop skill in the various phases of their job?

Do you make the job interesting by shifting the emphasis from time to time? For example, in connection with planning, do you have some device such as our "Perfect Life Insurance Week" to get the men back on the track and make the job more interesting? In developing selling skill do you use sales demonstrations? Do you dramatize these? Have you ever used them in reverse showing how it should not be done as well as how it should be done?

We have a motto in our agency which reads, "No profit grows where no pleasure is taken." In other words, do your men really get a kick out of the business?

The third principle of morale building is known as the principle of assuring security. I prefer to call it "developing the success atmosphere."

Is there activity, excitement and enthusiasm in your agency? It is possible in many cases to distinguish a successful from a mediocre agency by simply stepping into the agency headquarters; friendliness, the alertness, the activity of the clerical force give you the immediate tipoff.

Are your contests well planned, dramatized, fair to all? Do you consult your men in the formulation of contests?

Do you have an agency objective, such as plus months, a goal for the year, qualification of men in certain earning brackets? Do you take your men into your confidence and consult with them in setting up these objectives so that they become their objectives rather than your objectives?

Develop Extra Incentives

Do you get your men individually to conduct a special effort for a month or two during the year? For example, do you ever set up with one of your producers a special one month campaign celebrating his anniversary in the business and co-operate in this by sending letters over your signature to his policyholders and prospects?

Do you have your men interested in club qualifications or convention qualifications?

Do you ever talk to your men about

individual incentives over and beyond just the incentive of earning a living?

It has been said that a man will go so far for money, much farther for a man and farthest of all for a cause.

Does the attitude of your office force build or destroy morale? Does your office force recognize the principle that the backbone of every agency is its full-time department—the boys in the bull pen—and that these men are entitled to cheerful cooperation, recognition and service?

Do you give your men leadership? Are you close to them? Are you the leader or the boss? Are you humble or a big shot?

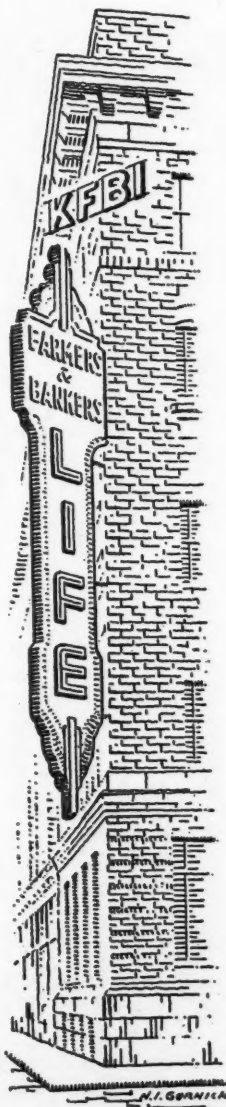
Do you insist on discipline in certain vital respects such as attendance at meetings, in the keeping of fundamental records, in the use of direct mail?

Fair Age Change System

Do you make your age change lead system help in the building of morale by seeing that these are distributed fairly, that they are used in helping a man get out of a slump? Do you personally assume responsibility for distribution of leads? Do your men know that they receive all the leads, and that you do not pick off the best ones?

Do you from time to time go into the field with the men to help them with special cases and to coach them on the job?

(CONTINUED ON PAGE 35)



Best wishes to N. A. L. U.

for an inspirational convention in Cincinnati. May you all go back to the field with added zest and enthusiasm for telling the story of life insurance.

THE FARMERS & BANKERS LIFE INSURANCE COMPANY

WICHITA, KANSAS

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Committees' Work Presented in Panel Discussions

The work of the major committees of the National association was reviewed at the meeting of the national council in panel discussions. The chairmen of the committees presided at each of these discussions with supplementary comment on certain phases of the activities by other leaders and in some cases questions and discussion from the floor.

W. H. Andrews, Jr., Jefferson Standard Life, Greensboro, chairman of the general agents and managers committee, conducted the panel on cooperation of general and agents and managers associations with the National association. He said his committee has placed especial emphasis on that angle this year. It is up to the general agent or manager, he said, to raise the standard of selection and performance of agents. He is the one who contacts and contracts agents and must have standards worthy of the business. He then called on C. D. Connell, Provident Mutual, New York, to tell how the managers' associations can cooperate in the matter of agency practices and the elimination of unfit agents.

Mr. Connell said that some companies find it difficult to turn down a leading general agent who wants a particular man licensed for another year and that it is necessary to work first on the general agents. Under a plan adopted by the New York City managers association, every licensee is now asked certain specific questions as to qualifications and amount of business produced.

Would Avoid Legislation

He said that there is a feeling among producers in New York state that licenses are too easily renewed and that there has been some agitation for legislation on the subject but that the New

York City association is seeking to correct this trouble at the source, rather than allow it to go to the legislature. He also spoke of the possibility of aiding the C. L. U. chapters and local associations in the preparation of programs.

National Secretary Grant Taggart, who is also chairman of the membership committee, was asked about what the general agents and managers can do in that connection. He said the answer to the problem of increasing membership is very definitely in their hands. He referred to the member-guest campaign in Boston and said that at a preliminary meeting 100 out of 110 general agents or managers were present. The success of the drive was due to the fact that they were definitely sold on the idea.

He referred to the fact that in Charlie Zimmerman's agency the first requirement for a new man is that he obtain a license and the second that he become a member of the local association. He also spoke of the deduction plan in effect in some agencies for payment of dues.

Cooperation on Legislation

Roy Ray Roberts, Los Angeles, and Frank C. Wigginton, Pittsburgh, were asked to discuss cooperation on legislation by managers and general agents. Mr. Roberts said his city has a strong managers association, as is evidenced by the fact that it has won the cup for three years, and that this didn't just happen. One idea that has helped greatly in legislative work is that of promotion members, mostly general agents who pay \$10 per year to help the association do things. The California state association has an executive secretary in Sacramento all the time

(CONTINUED ON PAGE 36)



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Action !!

Is the word that portrays the dynamic power which has caused our agency of young men to develop a Real position of Leadership—we Believe in its power to produce Results.

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JAMES M. ROYER, General Agent

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CHICAGO, ILLINOIS

N. A. L. U.

52nd Anniversary



The offices listed on this page are leaders in the life insurance field in Chicago. They believe in the National Association and for what it stands, and through this medium extend their cordial greetings to the 52nd annual convention in Cincinnati.

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WADE FETZER, President

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NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

An agency giving its men thorough training and continuous supervision; the services of a competent statistician; policyholder leads and route lists; commission protection through accepting no brokerage business and no "part-time" agents.

Agent Must Sell Ideas, Kollenberg Emphasizes

(CONTINUED FROM PAGE 7)

to purchase the correct amount of life insurance for his family.

Our function as salesmen is not to create the need for life insurance, but to discover it. We seek not to awaken new desires; we aim to satisfy old ones. The desire to protect one's own is as old as the human race. Life insurance is a new method for satisfying an old instinct, a method more efficient and more economical than any other that has yet been devised by mind of man to accomplish this end. Your prospect may be mildly interested in learning what life insurance is. He is intensely interested in knowing what it will do for him.

Frets Over 5% of Income

The average man we talk to receives 95 percent or more of his income from his earnings. Not to exceed 5 percent comes from his investments. Yet he will fret and worry more about the account that contributes 5 percent of his income than he does about the account that contributes 95 percent. I am amused when I hear him talk about the dangers of inflation. What has he got that is exposed to such great danger? The only inflation he needs to fear is associated with his ego, which leads him to believe that he can invest money wisely over long periods of time.

It may be that we are headed for another financial orgy—I don't know. But if we are, let us not forget there is the morning after with its attendant headache. The man who puts his money into life insurance wakes up serene and happy.

Only Thing for Mass

Life insurance for the great mass of people is not only a good thing, it is the only thing in which they have a right to invest their shrinking surplus for their security and for the security of their

families. Despite all talk of inflation, I am still convinced that cash values are desirable and that for the great majority of people life insurance is still the best investment they can make. Even though cash value dollars might be worth but 50 cents, they are still better than cats and dogs. Our best answer to the doubting Thomases who hesitate to buy insurance, is to set the example by purchasing insurance ourselves—more and more of it. Then we can talk with sincere conviction.

I think one reason why we may have grown stale is that we spend too much time with the same people. They know our story as well as we do, and we can't arouse them any more, and so our talk lacks enthusiasm. A prominent public speaker was once asked how he could give the same address over and over again every night without getting weary of it, and he replied that it was because he spoke to a different audience every night and this kept his enthusiasm alive. It is this fact which enables an actor to play the same role hundreds of times without tiring.

Interview Is Dramatic Adventure

A sales interview is a dramatic adventure; not an experience in logic. Our prospects are politely interested, if at all, in the fact that our mathematical formulas prove; or, that the company has accumulated some ninety-odd years of virtues; or, that our policy is saturated with features. We elaborate a logical presentation of these facts and he agrees with us. He agrees because he can't dispute us, but he does nothing more. We are right—so what? I'll tell you what. Thus far we have been merely exploring his head. We have been relying on our sound logic to persuade him to act. Our reason at best is but a poor faltering tool. It stammers and stutters its way through a proposition, and when it arrives at a conclusion there



En route to Cincinnati, Tom B. Reed of Oklahoma City, newly elected trustee and his campaign manager, Hawley Wilson, Massachusetts Mutual, Oklahoma City, a former national trustee and one who carries great weight, stopped off in Mr. Hawley's old bailiwick, Peoria, Ill., to perform for the Peoria association. Mr. Reed is at left; then Earle Cavette, Massachusetts Mutual, president Peoria association, and Mr. Wilson.

is a hesitating doubt about its soundness. But locate a need, stir his feelings; arouse his emotions, and see how swiftly and unerringly he flies to a satisfying conclusion. Now don't misunderstand me—certainly there is a place in the interview for clear thinking and sound reasoning, but don't expect to warm up your prospect with cold logic. The heart of the art of appeal is through the heart.

Keep Policyholders Informed on Latest Developments

The committee on life insurance information, H. A. Hedges, Equitable of Iowa, Kansas City, chairman, is naturally working very closely with the Institute of Life Insurance in that important work. One of its most important functions has been to give information to policyholders on such subjects as the reasons for decreases in dividends, the effect of declining interest rates on life insurance, the relation of taxes to the cost paid by the insurance buyer, amount and disposition of state taxes, the use and meaning of war clauses. Where these matters are explained in news articles, they are very gratefully received. During the coming year, an important part of the committee's work will be to record and publicize the work of the defense saving committee and interpret its task to the public.

McGaw Tells of Results

Sam McGaw, president Nashville association, told of the good results along publicity lines obtained in that city and credited it quite largely with the excellent membership record in his city, with 248 in a city of less than 200,000 as of June 30, since increased to 260.

ANNIVERSARY YEAR



When as a youth George Nixon Briggs (founder and first president of the Berkshire Life) returned to his home among the Berkshire hills over a century ago, his mind teemed with ideas and a desire to study law. He was able to accomplish this desire through the assistance of an elder brother, who died shortly afterwards, leaving a widow and four infant sons in an impoverished condition. The responsibility of caring for them fell to young Briggs, and this brought forcibly to his mind the great need for life insurance. On this idea he pondered for several years.

From a humble beginning, as a Berkshire blacksmith's son, Briggs rose to become a successful lawyer, six times member of Congress, and seven times Governor of the Commonwealth of Massachusetts.

In the year 1850, when his last term was drawing to a close, Governor Briggs consulted on his favorite topic with Elizur Wright, father of American life insurance. On May

15th of the following year the Berkshire Life was born.

Credit for growth and development during the past 90 years belongs to many people—to the men and women, past and present, whose loyalty, ability and industry have served the Berkshire so well. In this, our Anniversary year, the efforts of this loyal group have resulted in the greatest single yearly increase of business in the annals of the Company.

We believe today, as did our founder, that life insurance is a business to be operated on sound principles; that change is inevitable to progress, so long as the fundamental principles which give consistency of purpose to the organization continue to remain unchanged; that each policyowner should be served to the utmost with all we have to offer in every department of our business.

It is on the past, of which we are justly proud, that we of the Berkshire base our confidence in the future.

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SHORT CUT TO MORE BUSINESS!

ANSWERING the popular demand for MORE CALEMETER Direct Mail PROSPECTING AIDS—we present a Bigger, Better, more diversified variety of thoroughly tested sales helps—applicable to all types of prospects and life insurance plans. Your short cut to a steady flow of profitable interviews and sales.

Get This New Portfolio — "MORE BUSINESS"

It contains a wealth of sales-getting ideas and the following prestige building direct mail aids: (1) Visual Selling Letterhead; (2) Series of suggested Sales Letters; (3) Endless Chain Prospecting Cards; (4) Educational Plan Folder; (5) Sunrise of Income "Pop-Up" Folder; (6) "Million Dollar" sales talks and selling plans. Vividly illustrated with attention arresting, motivating pictures that tell and sell SPECIFIC NEEDS and the PROGRAMMING IDEA of life insurance. Focused around Calometer and the easy, up-to-date, Coin-A-Day way of building up an adequate insurance program.

SPECIAL OFFER — SEND TODAY

The complete portfolio—"MORE BUSINESS"—is sent to you without cost with your sample order for one ESTATER CALEMETER BANK at the special sample price. **\$1.00**

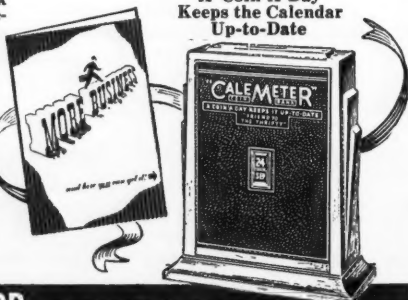
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LIFE INSURANCE COMPANY

INCORPORATED 1851

FRED. H. RHODES, President

PITTSFIELD, MASS.

Stresses Agency Morale as Most Important Factor

(CONTINUED FROM PAGE 31)

Do you produce some business personally so that your men recognize that you are not a swivel chair general agent but one who can produce the goods? Even more important, joint work in the field and some personal production keeps your self confidence at a high pitch and brings you much closer to actual field problems.

Do your men know that you are on the level and that in every borderline case you will give them the break rather than yourself, just as you expect your home office to give you the break in borderline cases?

Do you set the example by doing your part of the job constructively and thoroughly every day? Do your men recognize that you never ask them to do anything that you yourself have not done or are not willing to do? Do you go to bat for your men with the home office when you feel your man is right?

This is a large order to fill. The general agent must be a teacher, a coach, a showman, a referee, an adviser, a father, a brother, a leader, but above all—he must be a human being.

We cannot be 100 percent efficient in all of these respects. We can simply do the best job we know how with the ability which we have.

After all, it is our job to get better than average results from average men.

Finally, how is your own morale? Do you radiate confidence, enthusiasm and determination? If the morale of the general agent is low, the morale of the agency cannot be high.

Are you griping at the home office? Have you the inflation jitters? Are you worried about the war, about the administration, about private enterprise, to an extent where you are not 100 percent sold on the institution of life insurance, on the soundness of life insurance, on the performance of life insurance today, tomorrow and the next day?

Our responsibility is a great one. Our ability to influence the lives and philosophy of the men associated with us cannot be overestimated. We are the leaders of an army which day after day, year after year, through depression and boom, through inflation and deflation, through peace and war, is fighting a crusade—the crusade of thrift as against waste, of self-reliance as against paternalism, of independence as against dependence, of responsibility as against irresponsibility, of a sound society based on the home and the family as against a regimented society based upon the all powerful state, of freedom and dignity of the individual as against the suppression of a dictatorial government.

BUILDERS of MEN

FOR fifty-two years, the National Association of Life Underwriters has played a most important part in building prestige for the institution of life insurance and for the men who represent it.

SO it is, then, that Guarantee Mutual Life's agency building plan slogan "BUILDERS OF MEN" is applicable to that great life insurance organization.

A. B. OLSON, Agency Vice-President

GUARANTEE MUTUAL LIFE COMPANY

OMAHA, NEBRASKA

ORGANIZED 1901

Congratulations!

To the Underwriters and Executives who have made the National Association of Life Underwriters One of the Best Trade Associations in the United States.

While in Cincinnati make our Agency Offices your Headquarters. We are just across Fourth Street from the Gibson Hotel — Suite 537 Dixie Terminal Building.

THE OHIO STATE LIFE INSURANCE COMPANY

COLUMBUS, OHIO

JAMES C. McFARLAND, C. L. U.
Cincinnati General Agent

CLARIS ADAMS
President

FRANK L. BARNES
Vice-President

Committees' Work Presented in Panel Discussions

(CONTINUED FROM PAGE 32)

and objectionable bills usually are killed in committee.

He mentioned the dinner given in Los Angeles each year for southern California legislators. An insurance man is assigned to bring each one of them to the dinner. It is not an insurance meeting, but strictly a get-together, get-acquainted affair. A similar dinner is held in San Francisco for northern California. With 180 inimical bills introduced at the last session, not a single one was passed.

Mr. Wigginton emphasized that the general agents and managers association can be a vital factor in cooperation with local and state associations on legislation. He said that in Pittsburgh the managers group is known as the "agencies committee." It is an integral part of the local association and therefore closely knit with it. He gave some illustrations of what had happened in Pennsylvania, supplementing the statement made earlier in the session by Herbert Smith.

STATE ASSOCIATIONS

Work of the state and regional associations was reviewed by E. H. Schaeffer, Fidelity Mutual, Harrisburg, whose committee consists of all state association presidents. The importance of their contribution is evidenced by the fact that the 38 state associations embraced 349 local units out of the total of 368, with 30,811 out of the 33,053 members.

To give specific examples of how state associations function, Mr. Schaeffer called on two State leaders, Herbert Smith of Pennsylvania and Jul B. Baumann of Texas.

Mr. Smith reviewed his 20 years of work on legislation. He emphasized first the need for a state-wide organization, with men probably in every county

to give definite and specific information on pending legislation to legislators and other local leaders. He stated also that the work must be continuous, not merely like a piece of fire apparatus to be hauled out when a fire starts, but functioning all the time and building for the future. He told of the procedure followed in two specific instances, the defeat of savings bank life insurance and the passage of a bill at the last session removing the tax on policy proceeds.

Mr. Baumann, in telling of the operation of the speakers bureau set up in his state, said it has 23 associations, ranging in membership from 15 to 250. As an association in a small town may cover a wide territory, it is necessary for them to have good programs to keep up attendance. Some of these associations are 1,000 miles apart and the average is probably 150.

The responsibility was placed on the associations in the state's four cities, Dallas, Fort Worth, Houston and San Antonio and a panel of 40 or 50 speakers was formed. Evidencing the success of the plan, he referred to the West Texas sales congress, embracing associations from 100 to 350 miles from the city where the congress was held, 90 percent of the members of those associations being in attendance.

He also told of the Insurance Buyers Guide put out by the Texas association, including a roster of members, association officers and a statement of association principles, which has proved very effective.

LOCAL ADMINISTRATION

The committee on local administration, headed by W. W. Hartshorn, Metropolitan Life, Hartford, especially urged more inter-association meetings and promotion of one-day training conferences for newly elected officers, preferably to be held the latter part of June, when the setup for the coming

year has been completed. Many of the certificates to presidents of local and state associations have been sent out from national headquarters and in addition about 50 for presentation to past presidents.

Mr. Hartshorn asked several questions, such as: If you were just starting in, would you join the association to which you now belong? Are your meetings worthwhile? Would they be to a new man? Are your announcements interesting? In connection with the last question, he said too many of them appear to be a zero-hour proposition. He also criticized the way in which many of them are put up.

He asked E. P. Balkema, Northwestern National, Detroit, to tell about the one-day conference for new association officers held in Michigan. Mr. Balkema said that the letters sent out to the new officers stressed two points: (1) That any man accepting an office commits himself to conduct its work with maximum efficiency. (2) That the time and money spent in attending the conference would be a good investment in saving many days of fumbling thereafter.

In preparing the program the two points especially kept in mind were that discussions must be kept on the track and arrive at definite conclusions and that the material must be in tangible form. A mimeographed outline was prepared, devoted mainly to the four

subjects of programs, membership and attendance, public relations and publicity and legislation. Each retiring officer was asked to write out what he had done and each new one what he proposed to do. Use was made of National association material and experience with luncheon clubs, etc. The mimeographed material covered only two-thirds of the page, the right third being left for notes. Each man was asked to check the points on which he wanted to ask questions or comment. A bell ringer was provided to sound a gong when the discussion digressed from the outline, but had to function only once.

Subsequent visits to local associations disclosed that the ideas had been put into effect much better than was expected.

Nye Seeks to Offset Douglas

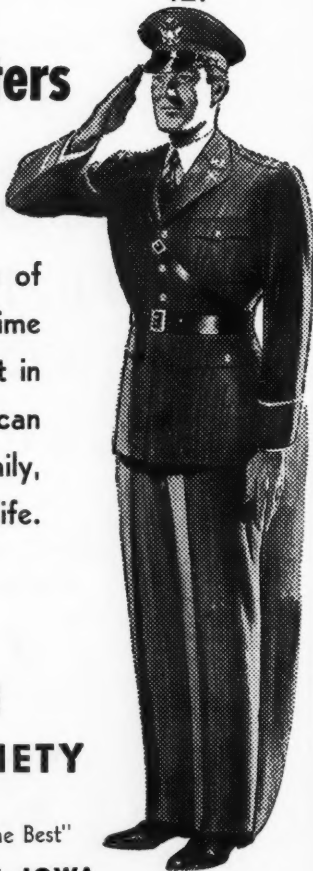
To offset the powerful and dramatic plea for all-out aid to the allies made by President Lewis W. Douglas of Mutual Life, who has been one of the leaders of the committee to defend America by aiding the allies, an America First meeting was arranged for Thursday night in the same auditorium where Mr. Douglas spoke in the morning, with Senator Nye of North Dakota as the chief speaker.

A SALUTE TO The Life Underwriters OF THE NATION

... whose work, in time of emergency as well as in time of peace, is all-important in safeguarding the American home, the American family, the American way of life.

**CENTRAL LIFE
ASSURANCE SOCIETY
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Recognized Everywhere As "One Of The Best"
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LIFE INSURANCE PLANS THAT ARE GEARED TO THE TIMES

BY CONSTANTLY revamping policies to meet the new demands brought about by the country's changing economic and social life, American United Life is keeping more than abreast of the times. They're geared to the future.

'41 planning is looking toward '51 and '61. Policies delivered today are designed to meet present requirements as well as to serve in the years to come. They'll stand the gaff and do the job for which they're created.

Nowhere is there to be found a more comprehensive line of both participating and non-participating policies.

And for agents there's a tested plan whereby large renewal commissions are received during the early years of each policy.

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INDIANAPOLIS ... INDIANA

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Metropolitan Life



W. R. FUREY, Pittsburgh
Berkshire Life

Pacific Mutual Dinner Has Large Attendance

America holds dear the things that life insurance stands for, Joseph M. Gantz, general agent Pacific Mutual, Cincinnati, declared at a Pacific Mutual dinner Wednesday at the Cincinnati Club. Mr. Gantz said he was not pessimistic about the future because life insurance men enable a man to smile and give him a chance to be a hero and secure the love and appreciation of his family, a priceless gift. Brief remarks were made by W. M. Rothaermel, vice-president; C. C. Day, Oklahoma City

general agent, president of the company's general agents association; Walter Albachten, Detroit general agent and chairman of the executive committee of the general agents association; Jul Baumann, Houston general agent; David Cohen, Miami Beach, leading agent; Mrs. Hilda Jane Meade, Cincinnati, the company's second largest producer, and J. H. Russell of the home office. Mr. Rothaermel paid tribute to the Cincinnati agency and Mr. Gantz for its fine work. Attendance was 123.

Charles T. Davies, million dollar policyholder from Wyomissing, Pa., was here.

Our New ARROW of GOLD POLICY Provides —

- 1—Low cost protection at less than term rates.
- 2—Selection of any renewal period (not less than five).
- 3—Renewal privileges any number of times until age 60.
- 4—Final renewal to age 70 (selection period ends at age 60).
- 5—Conversion privileges any time until age 70.

A liberal, flexible, low cost contract. Extraordinary first year commissions and renewals.

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Exceptional General Agency contracts in the states of Illinois, Iowa, Indiana, Ohio, Missouri and Kansas

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GREETINGS N. A. L. U. from Kansas City, Missouri

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Manager

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EQUITABLE LIFE INSURANCE CO. OF IOWA

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OF CHICAGO.

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3 IMPORTANT POINTS YOU SHOULD KNOW ABOUT GREAT AMERICAN LIFE

1. That your efforts with this company are being appraised by home office executives who are salesminded.
2. That the home office staff has intimate knowledge of conditions in the field through actual working experience.
3. That the management has always directed financial policies to assure Great American Life men they are selling the soundest possible insurance values . . . in the form of truly "salable" contracts.

**THE
GREAT
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LIFE INSURANCE COMPANY**
HUTCHINSON :: KANSAS
WILL S. THOMPSON, President



TWO FOLD CONGRATULATIONS

TO SALESMEN OF THE

LAFAYETTE LIFE INSURANCE COMPANY

LAST YEAR we congratulated our salesmen for producing the largest August volume in the history of our company.

THIS YEAR we congratulate them for beating last year's record.

THIS DIDN'T JUST HAPPEN . . . THERE IS A REASON

If interested in details of an outstanding General Agent's contract direct with a Home Office, write to—

RANDALL G. YEAGER
Superintendent of Agencies

THE LAFAYETTE LIFE INSURANCE COMPANY
LAFAYETTE LIFE BUILDING LAFAYETTE, INDIANA

New agency development now getting under way in OHIO, ILLINOIS and IOWA

Greetings from

**SCRANTON LIFE INSURANCE
COMPANY**

SCRANTON, PA.

WALTER P. STEVENS, President

First Six Months of 1941

We are happy to report that:

PRODUCTION

. . . . WAS UP

TERMINATIONS

. . . . WERE DOWN

INSURANCE IN FORCE

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**LARGE ENOUGH TO SERVE YOU
SMALL ENOUGH TO APPRECIATE YOU**

The Manhattan Life Insurance Company

120 WEST 57TH STREET
NEW YORK, N. Y.

FOUNDED 1850



Group of leaders at Minneapolis headquarters—Charles Kelly, Prudential; Frank McNally, Massachusetts Mutual; Ellis Sherman, Penn Mutual, president Minneapolis association, all of Minneapolis; H. A. H. Baker, assistant general manager Great-West Life, and H. B. Berwick, manager field service Manufacturers Life.



Women Superior to Men as Risks on Three Counts

Women not only are much superior to men as life insurance risks from the standpoint of mortality but the lapse rate is somewhat better and they are superior in respect of collection frequency. On the unfavorable side, however, the average size policy on women is only about half what it is on men. These points were brought out by Leigh Cruess, underwriting vice-president of Home Life, in addressing the dinner of the Women's Quarter Million Dollar Round Table, Monday evening.

United States census material has always shown a lower mortality rate, in the general population, among women than among men. At most ages the death rate among women is between 75 percent and 80 percent of that on men. Between the ages of 20 and 35, the rate on women more nearly approaches that on men, but is still lower. The average length of life at birth of white females is 64.5 years, and for men this average is 60.6.

There are approximately one million more men than women in the United States, and, even though there are 105 male babies born for every 100 female births, the higher death rate among males is offsetting this fact. There are something over 155,000 more male deaths a year than female deaths, with approximately 55 male births in excess of female births. This means that the excess of males over females in this country is being wiped out at the rate of approximately 100,000 per year so that in another 10 years, there will be more women than men.

This indicates that women are more satisfactory life insurance risks than men from the standpoint of mortality.

Single Women Death Rate Low

Single women have always shown a very low death rate. Even married women have shown a more favorable death rate than men except at ages 20 to 35 where the death rate more nearly approaches to that on men due to deaths resulting from the maternal state. In the past, life companies have experienced very high mortality on large policies written on male lives. During this same period the death rate on women risks under large policies has been extremely favorable. There is a reason for this. Most purchases of large policies among women are for inheritance tax purposes in order to conserve estates. There is

Greetings N. A. L. U.

The officers of this company appreciate your splendid help and influence in making Life Insurance the symbol of financial independence.

We constantly encourage membership on the part of our agents, and many of them are attending this Convention.

When you meet an Indianapolis Life Man, you will find him well-informed, ethical and friendly.

INDIANAPOLIS LIFE INSURANCE CO.

A LEGAL RESERVE, MUTUAL COMPANY
ORGANIZED IN 1905

EDWARD B. RAUB
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OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN, MINNESOTA, IOWA, TEXAS AND CALIFORNIA

Inter-Ocean Agents

In 23 States
Extend Greetings
to their
first cousins
of the
N. A. L. U.
and
wish them
a
successful
convention
in Cincinnati

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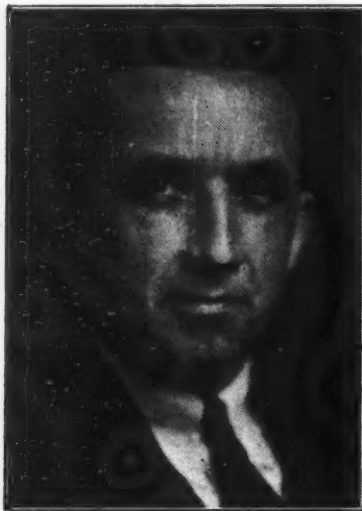
welcome
the Life men
to their
home city
and invite
them to
visit
the
Executive
Offices in the
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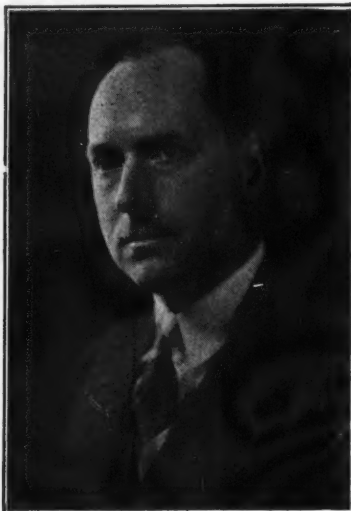
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New Yorkers in High Office



C. D. CONNELL, Provident Mutual
New Trustee



W. E. BARTON, Union Central
Re-elected Treasurer

an almost complete lack of business strain. On the other hand, men who buy large policies are usually active in business, holding responsible positions and subject to the demands which their positions and responsibilities require.

The death rate from cancer is somewhat higher among women than among men. On the other hand, diseases of the heart and circulatory system, by far the largest single cause of death in the case of men, are much lower for women. The accident rate on women is less than half that on men and, according to Dr. Dublin, suicide may be called a "masculine type of reaction." According to him, 3½ times as many men as women kill themselves each year.

Lapse Rate Is Better

According to the Research Bureau the lapse rate on business written on women is somewhat better. In addition, it appears from the same study that the collection frequency on women is more favorable than on men, that is, there is a smaller proportion of semi-annual, quarterly, and monthly premiums where women are insured than in the case of men. This lower collection frequency is a favorable factor since the cost to the company of maintaining the insurance in force is lower.

Desirable Business

"I think it is safe to say that sales to women constitute a desirable and substantial group of business both from the standpoint of the company, the agency, and the salesman," Mr. Cruess asserted.

At present, approximately 20 percent by number and 12 percent by amount of insurance sold is on the lives of women. There are approximately 50,000,000 women in the United States age 14 and over, according to estimates made based on the 1940 census, of whom more than 12,000,000 are employed. The present defense effort is increasing the number of employed women. As men are called to the service or become employed in defense industries, women are filling the positions left vacant. If the past is any

guide to the future, great numbers of these women will continue to be wage-earners and will be prospects for life insurance. The market for insurance on women is expanding and probably will expand more rapidly than the market for insurance on men.

Proper Care of Clientele is Agent's Prime Sales Duty

(CONTINUED FROM PAGE 12)

ance to seeing more new people, especially in the case of the new agent, I also say that the most important thing for any agent to learn is to produce by seeing fewer new people rather than more new people. And the only way to see fewer new people and sell more is to build a stronger clientele, a clientele who will be repeat buyers and a clientele who thinks so much of you that they open the door to quicker, easier sales to new clients on the basis of referred leads."

Not Complete Transaction

Mr. Dobson then suggested another fundamental in clientele building: "Look upon each sale you make, not as a completed transaction, but as the mere beginning of a larger, more important job to be done."

"The most disastrous attitude any agent can develop is that of looking on his policyholders simply as persons he has sold at some time in the past. The vast army of people who are satisfied with owning one or two policies totally inadequate to their needs or their income is the product of this attitude on the part of the life insurance agents. The man who smugly says, 'I have enough life insurance,' is also the product of this kind of thinking on the part of the agent. How many men are entitled to believe that they have enough life insurance? Only the very, very rare exception. And if our army of life insurance agents had not fallen into the attitude that a sale which is closed is a completed transaction, the public would not have the attitude that their life insurance is a completed undertaking."

GENERAL AGENCY OPENING

Prominent company writing non-cancellable accident and health and legal reserve life insurance is desirous of securing applications for General Agency appointments in the states of Illinois, Washington and Eastern New York from successful accident and health and life insurance salesmen who have the ambition and energy to establish a General Agency of their own. Write Box O-11, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill., outlining qualifications. All replies treated in strict confidence.

Greetings!

• TO THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS, on the occasion of its 52nd Annual Convention, the Manufacturers Life Insurance Company extends cordial greetings; and expresses the sincere wish that this meeting may provide as abundant inspiration to the Life Underwriting Fraternity as have those of other years.

• It is a privilege to be aligned with an Association so patently anxious to maintain its ethics and ideals on such a high plane.

• Company-wise it is gratifying to support an organization whose motive is to cultivate the general good of the business by furthering the parallel interests of the Policyholder, the Underwriter and the Company.

• We pay tribute to the work of the Association and express the hope that the years ahead may see the Association strengthened to bear enlarged responsibilities.

Established 1887

THE MANUFACTURERS LIFE INSURANCE COMPANY

HEAD OFFICE

TORONTO, CANADA

INSURANCE IN FORCE, 604½ MILLION DOLLARS

(INCLUDING DEFERRED ANNUITIES)

ASSETS, 190 MILLION DOLLARS

INSEPARABLE CONCOMITANTS

Let the thoughtful soul to solitude retire and search the "volumes of forgotten lore." Even then he cannot hope to come forth with a better definition of the subject involved than you find in this convention theme: "American Life Insurance—an Investment in Freedom."

Life Insurance or Freedom—either is a "pearl without price," for without the one the other cannot flourish.

LIFE INSURANCE COMPANY of VIRGINIA

BRADFORD H. WALKER, President Home Office: RICHMOND

Established 1871

ADVANCING AMERICAN LIFE INSURANCE by ADVANCING THE LIFE UNDERWRITER

The American agency system is responsible for the tremendous growth of life insurance in America.

When The Equitable was organized in 1859—eighty-two years ago—there were but a few hundred life insurance representatives in the entire country. Today there are over one hundred and thirty thousand, servicing 117 Billions of insurance in force, and due to whose efforts over 2½ Billions are being paid out to policyholders and beneficiaries every year.

The growth of the Equitable during the past eighty-two years has been even more rapid than that of life insurance generally. But in seeking to extend its own company services, the Equitable has been conscious of the contribution it could make to life insurance institutionally by facilitating the work of the life underwriter, aiding in his education and training, and elevating his status to that of a professional calling. Today the prestige of the American life underwriter is higher than ever; and with pardonable pride the Equitable points to some of the forward movements it has initiated—or supported—for the benefit of the fraternity at large.

It has made the work of the agent more attractive by broadening and liberalizing the policy contract. The present popularity which life insurance enjoys is in no small degree due to its vision and enterprise.

It was among the first companies to inaugurate a program of education and training for agents. As far back as 1902 classes of instruction were held, and a few years later a correspondence course covering the fundamentals of the business and sales procedure was introduced.

It has issued books on life insurance salesmanship and made them available to the agents of all companies.

Collaborating with other companies, it was one of the sponsors of the Life Insurance Sales Research Bureau.

It aided in the formation of the American College of Life Underwriters.

More recently it has given whole-hearted support to the S. S. Huebner Foundation for Insurance Education.

When the Institute of Life Insurance was proposed as a means of interpreting life insurance more effectively to the general public, The Equitable was one of the earliest advocates.

This year it inaugurated for the benefit of its agents an improved system of compensation with retirement benefits—a plan that has been characterized as a model of its kind.

And in support of one of the greatest instrumentalities for the advancement of the agent—The National Association of Life Underwriters and the many Local Associations—The Equitable has encouraged managers and agents to maintain membership and give unsparingly of their time and talents.

Today, American life insurance is recognized as a great financial bulwark in the national economy. The groundwork laid by The Equitable and other companies during past decades in behalf of the life underwriter is proving of immeasurable value in the present crisis. American life underwriters can and will respond to the opportunities—and responsibilities—for which the past years of training and education have equipped them.



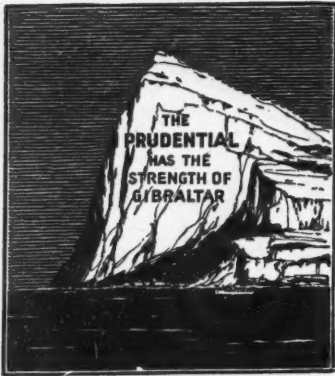
THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE UNITED STATES

A Mutual Company organized under the laws of the State of New York

New York, N. Y.

Thomas I. Parkinson, President



"Responsibility" -- An Important Word

A man, whatever his calling, achieves success in just about the same measure as he evinces a willingness to meet his obligations.

It is one of the great responsibilities of the life insurance agent to seek out those who need but have not acquired enough protection for themselves and their dependents.

When he has succeeded in convincing such prospects he has indeed done a worth-while service —helped to provide security for those who otherwise would be left to face the world without resources.

The Prudential
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